

TRANSIT ZONE OPERATIONS: CAN WE SUSTAIN RECORD SEIZURES WITH DECLINING RESOURCES?

HEARING

BEFORE THE
SUBCOMMITTEE ON CRIMINAL JUSTICE,
DRUG POLICY, AND HUMAN RESOURCES
OF THE

COMMITTEE ON
GOVERNMENT REFORM
HOUSE OF REPRESENTATIVES
ONE HUNDRED NINTH CONGRESS

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TRANSIT ZONE OPERATIONS: CAN WE SUSTAIN RECORD SEIZURES WITH DECLINING RESOURCES?

WEDNESDAY, APRIL 26, 2006

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY,
AND HUMAN RESOURCES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:52 p.m., in room 2203, Rayburn House Office Building, Hon. Mark E. Souder (chairman of the subcommittee) presiding.

Present: Representatives Souder, Foxx, Cummings, Watson, and Ruppersberger.

Staff present: Marc Wheat, staff director & chief counsel; Pat DeQuattro, congressional fellow; Malia Holst, clerk; Tony Haywood, minority counsel; and Cecella Morton, minority office manager.

Ms. FOXX [presiding]. The subcommittee will come to order. We can't control when we are asked to vote, as you know.

Chairman Souder has been called to another committee for a little while, and he asked me if I would preside, and I would like to read his opening statement for him.

Good afternoon and thank you all for coming. For the 3rd straight year our joint service, interagency and multinational forces in the transit zone have seized and disrupted a record amount of cocaine. A critical element of the strategy to disrupt our domestic illicit drug market focuses U.S. interdiction efforts on seizing cocaine and other drugs bound for the United States from South America in the transit zone.

The transit zone is a 6 million square mile area that encompasses Central America, Mexico, the Caribbean Sea, the Gulf of Mexico, and the Eastern Pacific Ocean. Transit zone seizures and disruptions in 2005 amounted to 252 metric tons of cocaine, compared to 219 metric tons in 2004 and 176 metric tons in 2003.

I am very familiar with the challenges associated with interdicting illicit drugs as they flow through this vast area. My subcommittee has focused extensively on narcotics smuggling activities across our land and maritime borders, and over the past year I have been able to visit many agencies and organizations that support these efforts, including recent briefings in Colombia, at Operation Panama Express, at Joint Interagency Task Force South in Key West, and the Coast Guard Armed Helicopter Squadron in Jacksonville. I am

very aware of the critical roles performed by the agencies represented here today in drug interdiction and homeland security.

All of our Federal agencies need a special “well done” from Congress for the record cocaine seizures in 2005. Through effective casework and coordination, the amount of actionable intelligence we now develop exceeds our interdiction capabilities in the transit zone. In other words, the Federal Government knows of specific boatloads of drugs heading north that we cannot intercept because of lack of interception assets in the Caribbean and the Eastern Pacific. The intelligence breakthrough is a recent development resulting from the very successful efforts of Operation Panama Express, an interagency, intelligence-driven program managed by the Departments of Justice and Homeland Security, and the continued success of the Drug Enforcement Administration. Due to their coordinated efforts, Joint Interagency Task Force [JIATF] South now has improved insight into where, when and how much cocaine will be smuggled through the transit zones.

Transit zone interdiction is a team effort that relies on the successful execution of several steps in an interdiction continuum, including the collection and dissemination of actionable intelligence, the detection and monitoring of suspect vessels, and the physical interdiction of those vessels. Each agency joining us today plays a critical role in this team effort that supports transit zone interdictions.

I look forward to this afternoon’s hearing to review our recent string of successes in the transit zone and discuss how we can improve upon these results. I have several concerns about our drug interdiction programs based on the recently released budget and the limited information that has thus far been shared with Congress by the administration. Let me now flag some concerns which worry Members of Congress.

The first and most alarming issue hidden in this year’s budget proposal is the administration’s attempt to categorize the drug interdiction mission as a “non-homeland security” mission. When Congress created the Department of Homeland Security in 2002, it combined some of the most important drug interdiction agencies in the Federal Government. While the Coast Guard’s homeland security missions are not new, they were statutorily defined in Section 888 of the Homeland Security Act of 2002 (Public Law 107–296) as follows: ports, waterways, and coastal security; drug interdiction; migrant interdiction; defense readiness; and other law enforcement.

Contrary to this statutory definition, the administration’s 2007 budget request, as noted in the Coast Guard budget, categorizes “Illegal Drug Interdiction” and “Other Law Enforcement” missions as “non-Homeland Security” missions. This proposed change clearly runs contrary to the organic statute establishing DHS. How did the lawyers at OMB and ONDCP sign off on this abdication of duty? I look forward to hearing an explanation from our ONDCP witness on how this change has come about, why, and what ONDCP tried to do to stop it.

A second issue to be discussed today is in the area of transit zone interdiction assets. As I mentioned, we now know when drug smuggling events will occur in the transit zone, but we don’t have the assets to respond. This is especially true of Maritime Patrol Air-

craft [MPA]. The previous U.S. Interdiction Coordinator, Roger Mackin, stated in July 2004 that “MPA are the linchpin of maritime interdiction operations and play a key role in virtually every significant maritime endgame.” Among the various aircraft capable of patrolling in the transit zone, the most important are the P-3 airplanes, which have high operational capabilities and a broad array of sensors used in detecting and tracking drug smugglers. These aircraft are old and need repair. The Defense Department has already pulled its P-3s from drug interdiction use, leaving only the Customs and Border Protection P-3s in the transit zone. These Customs and Border Protection airplanes won’t be able to carry out this mission indefinitely without an overhaul or replacement.

So why, then, does the administration propose to terminate the “service life extension program” mandated by Congress for the P-3s, and spend all of the CBP Air’s procurement funds on small helicopters for the Border Patrol? These helicopters may be fine for nabbing illegal immigrants, but they cannot replace the P-3s over the open water in the Caribbean and in the Eastern Pacific. Where is the plan to repair or replace the P-3s? Within a few years won’t we be blind at sea when trying to find the drug traffickers?

A third issue which we discussed at this same hearing a year ago is the idea of a maritime refueling vessel to improve U.S. drug interdiction capabilities in the transit zone. On two occasions this past year, the House of Representatives has voted in favor of procuring a drug interdiction refueling vessel. Amendment No. 10 to H.R. 889, the Coast Guard and Maritime Transportation Act of 2005, was agreed to by voice vote on September 16, 2005, having received the support of leadership and the Committee on Transportation Infrastructure. On July 19, 2005, a similar amendment was agreed to by voice vote and included in H.R. 2601, the Foreign Relations Authorization Act, Fiscal Years 2006 and 2007.

Members of Congress are very aware and concerned about the flow of drugs bound for the United States, and recognize the unique challenges and vulnerabilities associated with U.S. interdiction efforts in the transit zone. I am interested in getting an updated opinion from today’s panel on whether a maritime oiler vessel remains a needed capability in the transit zone.

A fourth issue to be addressed at this hearing is the impact of transit zone smuggling on the drug flow through Mexico and Central America. Last year the DEA testified that 90 percent of the cocaine smuggled into the United States comes across the southwest border. JIATF South drug tracks show that Mexico, Belize and Guatemala are the transshipment points for most drugs flowing from South America. Recent staff briefings in Mexico and Guatemala indicate these drug shipments travel through the maritime routes or by airplane into Mexico and Central America and are then taken over land into the United States. What impact has record seizures had on the flow of drugs across the southwest border, and what steps are being taken to address this next stop in the flow of illicit drugs?

Last, we look forward to discussing recent developments in the transit zone involving the Colombian Navy. A strong Colombian interdiction effort, along with robust and effective eradication and inland seizure efforts are critical to a successful illicit drug control

strategy. In a layered system of defense, it makes good sense to seize drugs in or near the source country, rather than out in the middle of the transit zone. During my visit to Colombia last month, I was told that through our strong partnership and cooperation, the Colombian Navy has achieved record results in 2005, seizing nearly 100 metric tons of cocaine. Additionally, the U.S. Congress recently identified funds to purchase and outfit several additional close-in maritime patrol aircraft for the Colombian Navy. I look forward to discussing these successful efforts and the benefits of a closely coordinated U.S.-Colombian drug interdiction effort.

These are serious questions that Congress needs to ask as it starts work on the annual appropriations bills.

Today we have a panel of very experienced witnesses to help answer these and other questions posed by the subcommittee. We are pleased to welcome Mr. James O'Gara, Deputy Director of Supply Reduction, ONDCP; Rear Admiral Jeffrey Hathaway, Director, Joint Interagency Task Force South; Mr. Michael Braun, Director of Operations, Drug Enforcement Administration; Rear Admiral Wayne Justice, Assistant Commandant for Enforcement and Incident Management, U.S. Coast Guard; Major General Michael Kostelnik, USAF (ret.), Director of the Office of Air and Marine, Customs and Border Protection; and Rear Admiral Alvaro Echandia, Chief of Naval Intelligence, Colombian Navy.

We look forward to your testimony and insight into this important topic.

[The prepared statement of Hon. Mark E. Souder follows:]

**Opening Statement
Chairman Mark Souder**

**“Transit Zone Operations: Can We Sustain Record Seizures
with Declining Resources?”**

**Subcommittee on Criminal Justice, Drug Policy and Human Resources
Committee on Government Reform**

April 26, 2006

Good afternoon and thank you all for coming. For the third straight year, our joint service, interagency, and multinational forces in the transit zone have seized and disrupted a record amount of cocaine. A critical element of the strategy to disrupt our domestic illicit drug market focuses U.S. interdiction efforts on seizing cocaine and other drugs bound for the U.S. from South America in the transit zone.

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So why, then, does the Administration propose to terminate the "service life extension program," mandated by Congress for the P-3s, and spend all of the CBP Air's procurement funds on small helicopters for the Border Patrol? These helicopters may be fine for nabbing illegal immigrants, but they cannot replace the P-3s over the open water in the Caribbean and in the eastern Pacific. Where is the plan to repair or replace the P-3s? Within a few years, won't we be blind at sea when trying to find the drug traffickers?

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These are serious questions that Congress needs to ask as it starts work on the annual appropriations bills.

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We look forward to your testimony and insight into this important topic.

Ms. FOXX. I would now like to recognize Mr. Cummings for an opening statement.

Mr. CUMMINGS. Thank you very much, Madam Chairlady.

The past 3 years have seen record amounts of illegal drugs seized through interagency drug interdiction efforts in the vast transit zone, that separates the primary source countries in South America from communities throughout the United States where drugs inflict such immense harm.

Improved access, actionable intelligence regarding drug shipments entering the transit zone are largely the result of the Interagency Panama Express Initiative, has been a major contributing factor. Other factors include the deployment of armed helicopters capable of stopping the go-fast boats that have proved so elusive in the high level or bilateral cooperation that has been achieved between the United States and the Colombian Government.

Serious concerns have been raised concerning the adequacy of interdiction assets, including fixed-wing maritime patrol aircraft, ships, helicopters and radars. Without such resources it will be impossible to capitalize on the actionable intelligence we are developing. Indeed, as we will hear today, it is already the case that we have actionable intelligence on more drug shipments than our existing interdiction resources will enable us to pursue.

Our witnesses will provide their perspectives on the best way to address the issue of declining resources, so that we achieve maximum success in stopping the flow of drugs into the United States through the transit zone.

As we address these matters, it is imperative that we look beyond the statistics on drug seizures and keep one eye trained on the ultimate question, namely, are we keeping drugs off the streets of America, and reducing drug consumption and its domestic consequences?

According to the DEA, Colombia continues to be the source of roughly 75 percent of the world's supply of cocaine, and nearly all of the cocaine consumed in the United States. Although surveys show that overall use of illicit drugs among youth has declined in recent years, we know that this is a reflection of reduced use of marijuana, the principal target of U.S. drug prevention efforts. The same surveys show that use of cocaine, a major focus of U.S. supply reduction efforts, has not declined.

The picture concerning the availability of cocaine in the United States, as reflected in estimates of drug price impurity, is at best hazy. Over the past year and a half ONDCP has supplied Congress with two sets of estimates from different sources. The first, a 100 plus page report, compiled for ONDCP by the Rand Drug Policy Research Center, shows a steady downward trend in the price of cocaine from 1981 through the second quarter of 2003, marked by occasional short-lived spikes. The second, a well-publicized three-page document, consisting of a cover and two graphs, covers a much shorter period of time, and indicates that the retail price of cocaine was on the rise from February to September 2005. Unlike the Rand report, which was posted on ONDCP's Web site without fanfare in February 2005, the methodology used to support the more recent estimates is unexplained. And outside analysts have noted that the two estimates are impossible to reconcile.

At the same time, despite extensive and enormously expensive aerial eradication efforts in Colombia, recent U.S. estimates show that coca cultivation in Colombia is not shrinking, but it is expanding.

The hearing therefore raises some important questions. First, what can Congress do to ensure that our interdiction efforts in the transit zone are optimally effective and efficient, and is the administration dedicated to making them so?

Second, are anti-drug efforts taking a back seat to anti-terror efforts within the departments and agencies that implement U.S. interdiction strategy? Are the two missions complementary, as we like to believe, or are they competing? More fundamentally, I think we need to ask what level of success in interdicting illegal drug shipments in the transit zone will be necessary to cripple the drug producers and drug transporters who are flooding our streets with illegal drugs? And further, is it realistic to expect that proposals advocated by our witnesses today will achieve this level of success if enacted?

This committee has thoroughly documented studies that show concretely that providing access to treatment reduces drug consumption and related harms, including criminal activity and recidivism, unemployment, poor health and behaviors associated with these, the spread of HIV/AIDS, hepatitis and other dangerous, communicable diseases. One such study is the Steps to Success Treatment Outcome Study, conducted in my own city of Baltimore by a Blue Ribbon Scientific Panel convened by the Baltimore Substance Abuse Systems, Inc.

The President's drug budget for fiscal year 2007 reflects a continuing trend downward, de-emphasizing prevention and treatment in favor of supply reduction efforts beyond our borders and shores. Today's hearing bears directly on the question of whether that ongoing shift in the allocation of limited anti-drug resources makes sense.

We cannot afford to address the issues of interdiction effectiveness and adequacy of interdiction assets in a vacuum. Rather, we must address them in the context of evaluating whether they are contributing to success in achieving the bottom-line objective of our national drug control security, namely, reducing drug consumption, crime and related harms in communities throughout these United States.

In closing, I want to thank our witnesses for appearing before us today, and I want to thank the men and women and all the Federal agencies represented here for their dedication to the mission of reducing the toll of illegal drug use on American society, particularly those on the front line who put their lives at risk every day for our benefit.

I also want to extend a warm welcome to Admiral Echandia, who will testify on behalf of the Colombian Navy.

I look forward to today's testimony, and with that, Madam Chairlady, I yield back.

Ms. FOXX. Thank you, Mr. Cummings.

A couple of procedural matters we will deal with. I ask unanimous consent that all Members have 5 legislative days to submit written statements and questions for the hearing record, and that

any answers to written questions provided by the witnesses also be included in the record. Without objection, it is so ordered.

I also ask unanimous consent that all exhibits, documents and other materials referred to by Members and the witnesses may be included in the hearing record and that all Members be permitted to revise and extend their remarks. Without objection, it is so ordered.

I have already mentioned the names of the panel members and their positions in my opening statement, so I won't repeat them here. I will recognize each person as he speaks, but would the witnesses please come forward and remain standing?

It is our standard practice to ask witnesses to testify under oath. If you will raise your right hands, I will administer the oath to you. [Witnesses sworn.]

Ms. FOXX. Let the record show that the witnesses answered in the affirmative.

Mr. O'Gara, thank you for joining us. You are recognized for 5 minutes.

STATEMENTS OF JAMES F.X. O'GARA, DEPUTY DIRECTOR, SUPPLY REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY; REAR ADMIRAL JEFFREY HATHAWAY, DIRECTOR, JOINT INTERAGENCY TASK FORCE SOUTH; GENERAL MICHAEL KOSTELNIK, ASSISTANT COMMISSIONER, CUSTOMS AND BORDER PROTECTION, OFFICE OF AIR AND MARINE; MICHAEL BRAUN, CHIEF OF OPERATIONS, DRUG ENFORCEMENT ADMINISTRATION; REAR ADMIRAL WAYNE JUSTICE, ASSISTANT COMMANDANT FOR ENFORCEMENT AND INCIDENT MANAGEMENT, U.S. COAST GUARD; AND REAR ADMIRAL ALVARO ECHANDIA, CHIEF OF NAVAL INTELLIGENCE (N2), COLOMBIAN NAVY

STATEMENT OF JAMES O'GARA

Mr. O'GARA. Thank you, Chairwoman Foxx, and Ranking Member Cummings. I would ask, with the committee's permission, to incorporate my statement into the record, and I will just read a brief oral statement.

On behalf of Director John Walters, I am honored to appear here before you today to discuss drug interdiction in the transit zone. Before I proceed, I want to thank this committee for consistently supporting the President's National Drug Control Strategy, which has been a bipartisan, bicameral success. The strategy harnesses the mutually reinforcing power of drug treatment, prevention, law enforcement and drug interdiction. It is my view, and more importantly, it is the President's view, that these things work best when they work together.

As Ranking Member Cummings indicated in his opening statement, we know that drug treatment reduces crime, it reduces related social consequences and morbidity. As supporters of drug courts are well aware, law enforcement diverts users into drug treatment, makes the system work more efficiently by giving providers leverage over the clients that they serve in drug treatment. Drug treatment narrows the problem for law enforcement by shrinking the market for illegal drugs. Interdiction, likewise, shrinks the amount

of drugs available on our streets, and can force periodic shortages that push addicts into detox. Prevention programs are affected by law as well. They work best in a climate where law breaking is punished and where young people are discouraged from ever trying illegal drugs in the first place.

Our balanced strategy makes sense and it is working. Drug use has dropped for the 4th straight year, down 19 percent among 8th, 10th and 12th graders, and that includes marijuana, but also some of the psychedelic drugs like LSD and MDMA. This is important work, and this Congress and this subcommittee have been key partners in sustaining the bipartisan consensus that is the foundation for what we do, including the international efforts that we'll discuss today.

The interagency leaders that you see here—and I am sure our guest from Colombia as well—all appreciate the opportunity to update the subcommittee on the progress to date, as well as the unique and changing environment that faces our interdictors.

What they have accomplished has been little short of amazing. So far this year our drug interdiction forces in the transit zone, under the able leadership of Admiral Jeff Hathaway here to my left, JIATF South have seized and disrupted more than 60 metric tons of cocaine headed to the U.S. shores. That represents 10 percent of Colombia's annual productive capacity.

This achievement, as the title of your hearing alludes to, follows three successive record-breaking years of cocaine seizures and disruptions in the transit zone.

In the source zone, meanwhile, the Government of Colombia has significantly upped the ante for traffickers, reporting 2005 seizures of more than 150 metric tons of cocaine, a single-year record, and more than double the previous year's total. Let's put that in perspective. 252 metric tons seized in the transit zone, 400 tons when the Government of Colombia seizures are factored in, from a country whose productive capacity, even using our improved estimation process, for 2005 was 645 metric tons.

It wasn't always like this. During the late 1980's and the early 1990's, in the wake of drug control first becoming a national security mission, the Defense Department darkened the skies, as they say, with detection and monitoring assets. Seizures followed, but in nothing like the levels achieved by today's interagency team of DOD, the Coast Guard, Customs and Border Protection and the Drug Enforcement Administration, not to mention allied nations including France, the Netherlands, the U.K. and Canada. Today we are getting more bang for our maritime patrol aircraft buck than ever before.

Why? Better intelligence, what Admiral Hathaway calls the crown jewel of our program. Intelligence has been a critical enabler with crucial contributions from DEA, the FBI, the Bureau of Immigration and Customs Enforcement. Intelligence has improved not only on the collection side, but again, to refer to JIATF, it is our capacity to fuse that intelligence and disseminate it to a large number of end users in a secure manner, in a timely fashion.

We face challenges as we look to the future. You will hear about some of them today, and we look forward to working with the Congress to address and resolve them. Maritime patrol aircraft and the

Coast Guard and U.S. Navy ships have been vital to enabling us to act on the intelligence we receive. Interdiction in the transit zone is an administration priority, and we will continue to work diligently with U.S. force providers and allied nations to ensure that JIATF receives the appropriate support.

Challenges and change are a constant in this business as traffickers react to what we do and try to ferret out vulnerabilities, and Mike Braun will speak to this in more detail.

Thank you again for your time and for the opportunity to testify.
[The prepared statement of Mr. O’Gara follows:]

**Statement by James O’Gara
Deputy Director, Supply Reduction, Office of National Drug Control Policy**

**Before the House Committee on government Reform
Subcommittee on Criminal Justice, Drug Policy and Human Resources
Chairman Mark Souder, 109th Congress**

**“Transit Zone Operations: Can We Sustain Record Seizures with Declining Resources”
April 26, 2006**

Chairman Souder, Ranking Member Cummings, and distinguished Members of the Subcommittee: I am honored to appear before you today to discuss drug interdiction in the Transit Zone. Before I proceed, I want to thank this Subcommittee for consistently supporting the President’s National Drug Control Strategy, which has been a bipartisan, bicameral success. Together, we have reduced youth drug use by 19 percent since 2001.

So far this year, our drug interdiction forces in the Transit Zone, under the able leadership of the Department of Defense’s Joint Interagency Task Force South (JIATF-South), have seized and or disrupted more than 60 metric tons of cocaine headed to U.S. shores. This total follows three successive record-breaking years of cocaine seizures and disruptions in the Transit Zone: 252 metric tons in 2005, 219 metric tons in 2004, and 176 metric ton in 2003, for a four-year total exceeding 700 metric tons of cocaine. That is 700 metric tons of cocaine the traffickers will never be able to bring into our cities, communities, and schools; 700 tons that will not be available to overwhelm our Federal, State and local law enforcement, as happened during the 1980s; and 700 tons that will never get sold to our young people and addicted users. An analysis of last year’s Transit Zone seizures reveals incredible success stories and individual performances worthy of praise. In just the month of August 2005, for instance, JIATF-South interdicted a total of seven cocaine-laden fishing vessels, seven go-fast boats, and two motor vessels—preventing a total of 45 metric tons of cocaine from reaching the United States. A single Coast Guard vessel, the Cutter *Hamilton*, contributed to this total by interdicting four vessels hauling 13 metric tons of cocaine during a single five-week deployment.

Our interdiction successes mean hundreds of millions of dollars less for narco-terrorist groups to buy arms and explosives to continue their violent, unjust war against the Government of Colombia and the more than 40 million law-abiding Colombian people, who want only to be left to live in peace.

These extraordinary successes have taken place in a time of great challenge for the United States. Drug interdiction agencies have seen their resources deployed against an array of threats. The Department of Defense (DoD) is involved in multiple conflicts, but has still managed to deploy a robust AWACS presence to South America—a much needed capability which has freed up Department of Homeland Security (DHS) Maritime Patrol P-3 aircraft for the Maritime Patrol mission in the transit zone. Additionally, DoD has maintained support for the vital operations of JIATF-South, a key enabler that uses core military competencies to make the entire interdiction program more effective. Faced with supporting relief operations for several

hurricanes, DHS Coast Guard (USCG) and Customs and Border Protection (CBP) have continued to field an impressive complement of assets including a three-fold increase in CBP P-3 hours and increased Coast Guard MPA support.

Key to these successes is the collection and dissemination of actionable intelligence regarding maritime cocaine shipments. Operation Panama Express, an Organized Crime-Drug Enforcement Task Force (OCDETF) initiative managed jointly by the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), DHS's Bureau of Immigration and Customs Enforcement (ICE), Coast Guard, and JIATF-South has greatly expanded interdiction-related intelligence.

Traffickers understandably continue to change their tactics and increase their efforts to avoid detection. Fishing vessels and go-fast boats are moving farther out into the Eastern Pacific, to extremely remote areas west of the Galapagos Islands, testing the very limits of our interdiction assets' endurance. Traffickers have begun conducting logistical operations out of Ecuador and are using Ecuadorian-flagged ships and crews, exploiting our lack of a maritime boarding agreement with that country. Obtaining increased Ecuadorian counterdrug cooperation and a maritime boarding treaty is a top priority for the United States Government. I would like to take this opportunity to solicit this Subcommittee's and Congress's support in this effort.

Cocaine is not only a problem for the United States. All countries, to varying degrees, have drug problems, with traffickers violating borders with impunity around the globe. Traffickers continuously look to expand their markets and exploit borders. Another of JIATF-South's great strengths is its close working relationship with numerous allied countries; this is critical for the synchronization of regional counterdrug operations. Twelve countries from the Western Hemisphere and Europe have liaison officers at JIATF-South. Of particular note, The Netherlands, the United Kingdom, France, and Canada all provide ships and/or Maritime Patrol Aircraft (MPA) to JIATF-South interdiction operations in the Eastern Caribbean. These assets enhance our MPA and surface asset capabilities and capacity, and we greatly appreciate the support of these allies.

Principally operating in the East Caribbean and Atlantic, our allies also seized a record-breaking amount of European-bound cocaine last year—68 metric tons, compared to 38 metric tons in 2004. And, so far this year, European-bound seizures have continued at a high pace. Increased European and European-bound seizures are all indicators of increased cocaine flow to Europe and are worthy of continued observation to denote any shift in the cocaine markets from the United States to Europe, as a tightening of the U.S. market continues and as we begin to see a gradual rise in the purity-adjusted price of retail quantities of cocaine.

Transit Zone drug interdiction is a team effort and most seizures stem from successful employment of an interdiction continuum. The key ingredients of this continuum are: the generation of actionable intelligence (law enforcement); the fusing of the intelligence (JIATF-South); the detection and monitoring by Maritime Patrol Aircraft (DHS, DoD, and allied aircraft); surface asset interdiction (USCG, USN, and allied ships); and end-game take down of the vessel and seizure of the illicit cargo (USCG Law Enforcement Detachments, or LEDETs).

Each of these elements is essential to success in fighting the trafficking of drugs in the maritime arena. The absence of any one ingredient of this continuum can undermine success.

Perhaps the most important aspect in the interdiction continuum and the principal reason behind increased seizures is more and better actionable intelligence on drug movements. Much of this improved intelligence is derived from the great work being done by the men and women of *Panama Express* and DEA and ICE agents located in Source and Transit Zone countries. This improved intelligence allows for more effective use of limited ship and Maritime Patrol Aircraft assets. Instead of often wasteful, large ocean sweeps by MPA searching for drug-laden vessels, as was the case during much of the 1990s, improved intelligence now enables our interdiction assets to zero in on the target in a fraction of the time, saving incalculable ship and aircraft hours otherwise spent searching. To sum up, we are getting more for our MPA buck than ever before.

Another key component in the interdiction continuum, and a major factor behind improved end-game capability, is the U.S. Coast Guard's employment of armed MH-68 helicopters and airborne use of force (AUF)—more commonly known as the Helicopter Interdiction Tactical Squadron (HITRON). HITRON is the trafficker's worst nightmare. Flying at 140 knots, the MH-68 easily outruns the fastest go-fast boat and armed with an M-240 machine gun and laser-sighted .50 caliber sniper rifles, they are more than capable of convincing even the most desperate go-fast crew that it is in their best interest to stop. So far, in Fiscal Year 2006, HITRON has nailed 15 go-fasts, for a haul of 31 metric tons. In Fiscal Year 2005, HITRON interdicted 29 go-fasts, 12 of them at night, removing from the cocaine flow an impressive 47 metric tons of cocaine. Since its inception in 2002, HITRON has prevented 100 go-fasts from reaching their destination and more than 252 metric tons of cocaine have been captured.

In more bad news for the traffickers, last year our British allies adopted airborne use of force, using Coast Guard Tactics, Techniques, and Procedures and their own shooters. In November, 2005, the *HMS Cumberland* and its embarked helicopter stopped a go-fast in the Western Caribbean, marking the first time that the British had successfully used AUF. The *Cumberland's* capture was 88 bales, an estimated two metric tons of cocaine. In encouraging news for U.S. counterdrug efforts, the Coast Guard is currently training United States Navy (USN) helicopter crews to stand up their own AUF capability in the very near future.

Interdiction in the Transit Zone is an Administration priority, and we will continue to work diligently with United States force providers and allied nations to ensure that JIATF-South receives appropriate support. I firmly believe, however, that we can not view what goes on in the Transit Zone in a vacuum. A major part of our supply reduction policy is to kill the coca in the fields and seize it in the labs and collection points, *before* it ever makes it to the JIATF-South Area of Responsibility.

The Andean Ridge is the sole supplier of the world's cocaine and a provider of the heroin consumed in the United States. Although Colombia is the predominant source of both of these illicit drugs, any plan targeting cocaine and heroin production must consider the latent capacity within Bolivia and Peru. Drug trafficking through Ecuador and Venezuela must also be considered. The Administration's Andean Counterdrug Initiative (ACI), for which this

subcommittee has provided overwhelming support, addresses all of these concerns and is yielding promising results. President Uribe and the Government of Colombia (GOC) are firmly committed to countering the threat that drug trafficking poses to Colombia, the Western Hemisphere, and the world. In 2004, Colombia sprayed more than 131,000 hectares of coca and manually eradicated another 10,279 hectares. The Government of Colombia reported spraying more than 138,000 hectares of coca and manually eradicating more than 31,000 hectares in 2005. These efforts have reduced cultivation by one-third since 2001 and reduced potential pure cocaine production from 700 metric tons in 2001 to 430 metric tons in 2004.

Although substantial progress has been made in eradication, tactics must continually be adjusted as traffickers try to adapt to the Government of Colombia's massive eradication campaign. In fact, the shrinking and dispersal of coca fields, the systematic use of seedbeds, and countermeasures designed to make plots harder to find from the air may require additional spray planes to continue to reduce Colombian coca production. It has already required increased aerial spray and manual eradication operations. The Department of State has received authorization to spend \$30 million in FY 2006 to buy and refurbish spray aircraft for Colombia under the Critical Flight Safety Program. The State Department will receive additional funding in FY 2007 to continue this crucial safety upgrade that will bolster a much-needed aerial eradication capability in Colombia.

Reports from the field indicate that traffickers are focusing their cultivation efforts in areas that are difficult to identify from the air because of bad weather, such as Nariño. With that in mind, the Government of Colombia, with our assistance, began additional spray operations late last year in Nariño and increased manual eradication operations in eastern Colombia and the national parks where additional, previously undetected coca has been planted. The attack on opium poppy has been just as relentless. In 2004, Colombia sprayed 3,060 hectares of poppy and manually eradicated another 1,253. In 2005, Colombia sprayed more than 1,600 hectares of poppy and manually eradicated 496 hectares. Poppy cultivation has decreased by two-thirds since 2001, and potential pure heroin production decreased to 3.8 metric tons from 11.4 metric tons in 2001. These efforts have contributed greatly to the significant reductions in heroin purity that has taken place in the United States over the past two years. Colombia is also aggressively pursuing the movement of illicit drugs throughout its national territory and is seizing record quantities of cocaine, coca base, heroin, and precursor chemicals.

ACI also supports the training and equipping of Colombia's security forces to seize cocaine and destroy traffickers' cocaine production capabilities. Here also, the news is encouraging.

In 2005, Colombian security forces, as a result of years of professional U.S. law enforcement training and U.S.-provided counterdrug equipment, reported seizing more than 150 metric tons of cocaine—setting the single year record for seizures in Colombia, and more than doubling the previous year's total. Moreover, Colombian counternarcotics police, the elite "Junglas," reported destroying more than 100 cocaine HCI labs, preventing the production of an incalculable amount of cocaine before it could be produced, packaged and shipped to U.S. markets.

In one significant blow to drug trafficking interests, in May 2005, Counternarcotics Police and Colombian Navy (COLNAV) personnel, acting on a tip from the local populace, cooperated in the capture of 15 metric tons of cocaine along the Mira River, in the southern Nariño Department. This is the largest known seizure in Colombian history. The cocaine was packaged and awaiting delivery to several go-fasts that would have moved it through the Eastern Pacific for eventual delivery to points along the Mexico-Central American corridor.

In September 2005, in what is the largest seizure in Bogota's history, the Colombian National Police seized 3.5 metric tons of cocaine in a warehouse, awaiting shipment to the North Coast and then to the United States. And, so far this year, there is no indication that the GOC is weakening its resolve in going after drug traffickers: on March 12, the Colombian Army and the Attorney General's office discovered 6.3 metric tons of cocaine in a Barranquilla warehouse, cocaine that was being readied for shipment to the United States.

Mr. Chairman, in conclusion, there have been some notable successes in our supply reduction and interdiction programs. The United States and our allies, acting in concert through JIATF-South and in cooperation with the Government of Colombia, have obtained remarkable seizures of drugs over the last few years. However, many challenges still remain, and far too much cocaine is still reaching our shores. You have my commitment that ONDCP will not rest until we have significantly reduced cocaine availability and it ceases to be a threat to the American people.

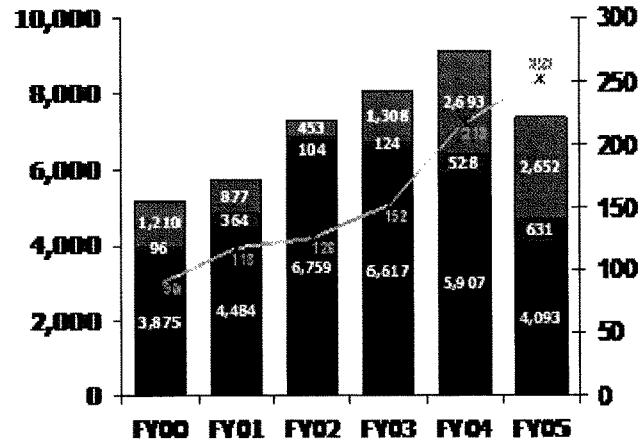


Long Range MPA Support

JLATF South FY00 – FY05

On-Station Hours

Disruptions (MT's)



■ P-3 (all sources) ■ Nimrod ■ HC-130 -x- Disruptions

Ms. FOXX. Thank you.

Rear Admiral Hathaway, thank you for joining us. You are recognized now for 5 minutes.

STATEMENT OF JEFFREY HATHAWAY

Admiral HATHAWAY. Madam Chairwoman and Mr. Cummings, it is good to see you again. As I appeared before this subcommittee last year I thought that I would take just a few moments to characterize what happened during that year in JIATF South since we last met.

I bring to you today the greetings of General John Craddock, the U.S. Southern Commander. I am the Director of a very unique national task force, but I also sit before you today as the Department of Defense witness as well.

Since I appeared before you last year, JIATF South had the pleasure of evacuating Key West for three hurricanes. We suffered severe damage, and have recovered from that damage, I can happily report, that was put upon us by Hurricane Wilma. We have added a very important international liaison officer from the country of Spain, who wears the uniform of the Guardia Civil, who is going to be able to give us new critical intelligence about increasing amounts of cocaine that are flowing into the European markets, being trafficked by the same organizations that are bringing cocaine to the United States today.

We have added three Tactical Analysis Teams in various countries in our joint operating area, to be able to bring us faster and in more quantity, very critical counter-drug information.

We have assigned LNOs to DEA's Special Operations Division. We have recently added a JIATF member to the Organized Crime Drug Enforcement Task Force in Puerto Rico, both in the spirit of Department of Defense, working in cooperation with law enforcement.

We have solidified over the last year the return of U.S. Air Force E-3 AWACS aircraft. Why is that important? They have been able to take over the primary role of detection and monitoring in support of Colombia's Airbridge Denial Program, and thus allowing me to move very important Customs and Border Protection P-3 aircraft, that had been doing that job, out into the maritime region, where, as has already been stated, we have a lack of persistent maritime surveillance.

We have had, during the last year, on three different occasions, Colombian Navy assets operating under the tactical control of Joint Interagency Task Force South. We are working closer than ever with our Colombian colleagues, and evidence of that is my good friend here today, Rear Admiral Echandia, who will speak to that, I am sure.

Why is that important? It means that we are truly synchronizing operations with our international partners that have the capability to be able to work with us. In fact, one of those Colombian frigates is under JIATF South tactical control today as I sit before you.

We all grieved at the loss of three U.S. naval aviators, whose helicopter crashed in the Eastern Pacific on a pre-dawn morning about a week before Christmas last year, while they were prosecuting a counter-drug case.

But we closed calendar year 2005 with the seventh consecutive record year in terms of cocaine disruptions, which disruptions account for seizures and actual destruction of drugs. The last 2 years, 2004, 2005, were remarkable years of a cooperative effort by not only all the organizations and agencies represented at this table, but others that are not here today.

Madam Chairwoman, I will stop at that point, and I will welcome your questions in the next few minutes.

[The prepared statement of Admiral Hathaway follows:]

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UNTIL RELEASE BY THE COMMITTEE ON GOVERNMENT REFORM

WRITTEN STATEMENT OF
RADM JEFFREY HATHAWAY
DIRECTOR
JOINT INTERAGENCY TASK FORCE SOUTH
BEFORE THE 109TH CONGRESS
COMMITTEE ON GOVERNMENT REFORM

26 APRIL 2006



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UNTIL RELEASE BY THE COMMITTEE ON COMMITTEE ON GOVERNMENT REFORM

Introduction

Mr. Chairman, thank you for the opportunity to appear before your subcommittee. The theme of the oversight hearing, "Transit Zone Operations, Can We Sustain Record Seizures with Declining Resources?" is especially timely. Joint Interagency Task Force (JIATF) South challenges drug traffickers in the air and on the high seas 24 hours a day, 7 days a week in defense of America's borders. We are relentless in attacking the shipment of illegal drugs and narco-traffickers themselves. Our goal is to put drug traffickers at risk of interdiction and arrest each and every step of their journey. We work very hard in constant support of law enforcement to ensure this all occurs seamlessly with the least amount of resources. Through better intelligence, expanded law enforcement partnerships and the collective efforts of the counterdrug community, JIATF South has been able to support ever-increasing cocaine disruptions for the last six years with 2005 being a record all time high of approximately 252 metric tons. While we are currently on track to exceed the 2005 record disruptions, we are challenged by trafficker reactions to increased losses and the impact that has on the effectiveness of assets assigned to support JIATF South operations.

Joint Interagency Task Force South is a National Task Force

JIATF South was created specifically to address the south to north flow of drugs towards the United States from South America. Its roots go back to 1989 when the Department of Defense was congressionally directed as 'the lead agency' for the detection and monitoring (D&M) of drug trafficking events in support of law enforcement. Over time, additional, but appropriate, missions and functions were added to the command's responsibilities. It has taken 17 years to evolve to where we are today, an international, interagency organization that is

specifically charged to D&M the south to north flow of illicit trafficking, all executed under a single director.

There are significant strengths that make JIATF South as successful as it is today. Perhaps most noteworthy is that we are optimally designed and organized for success against the asymmetrical threat of drug trafficking. The National Interdiction Command and Control Plan (NICCP) created JIATF South as a 'national task force' and intentionally not as a department or agency task force. This fundamental premise was reaffirmed with the interagency signing the latest iteration of the NICCP dated 1 September 2005. We are assigned to the Commander, USSOUTHCOM yet we are not a classic military component of the combatant commander. The national task force concept aggressively creates mutually supporting efforts among its diverse personnel, agencies and countries. The JIATF organizational structure embodies the force-multiplier effect of a task force manned and led by personnel from the various agencies and countries with a counterdrug mission.

Drug Trafficking Organizations

Drug trafficking organizations and the drug traffickers themselves pose a wide-ranging threat to our country. Their illicit activities include the production and movement of drugs and often include the movement of arms for terrorists - which are paid for by the profit from or the exchange for drugs. Drug trafficking organizations are usually a close-knit group, often involving family members and are exceptionally difficult to penetrate. They are well funded; in 2004, the U.N. estimated the drug trade to be a \$320 billion a year industry and cocaine accounts for approximately \$70 billion of the total. With funds of this magnitude, they can afford to buy the latest technology and strong political influence within our theater. Finally, drug traffickers

have at their disposal the use of various types of conveyances and modalities to smuggle drugs. The concealment of drugs is only limited by imagination.

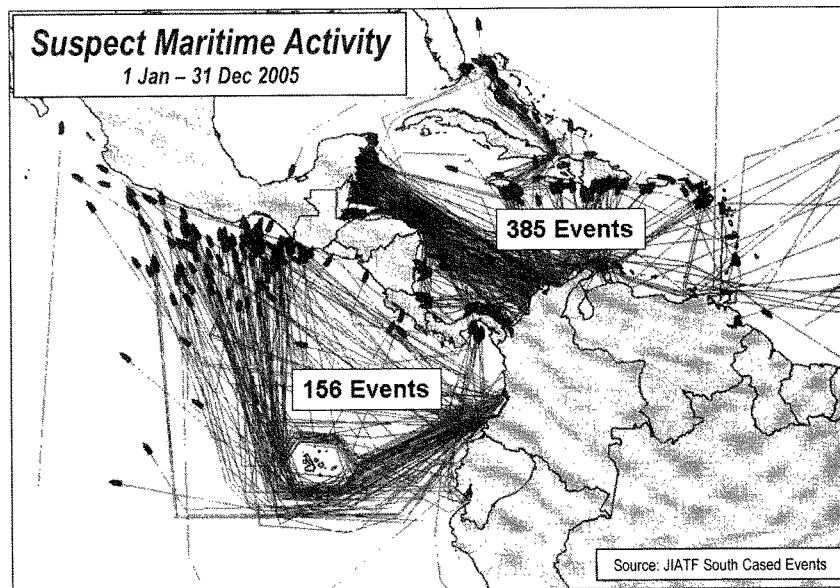
While there is considerable interagency and international discussion on just how much cocaine is moved within any year, all agree that cocaine is still moved in quantities far in excess of what our respective law enforcement forces interdict. Drug traffickers will collectively attempt to produce and ship enough drugs to account for drug losses (seizures plus disruptions); the costs of corruption, money laundering, security, services (paid in cocaine) as well as consumption (end use) to ensure enough cocaine reaches world market to satisfy the demand. Our cocaine movement forecast for calendar year 2006 is based on historical information of seizures, disruptions, and high and low confidence intelligence. For 2006, JIATF South forecasts that approximately 583 metric tons will transit up the Eastern Pacific, Central America and Western Caribbean corridor (the biggest threat vector; accounts for about 83% of all cocaine movement to the U.S.); 120 metric tons will transit the Central and Eastern Caribbean corridor to the U.S. and approximately 367 metric tons will initially transit through the Eastern Pacific and the Caribbean to non-U.S. markets. In total, approximately 1070 metric tons of cocaine will potentially leave the landmass of South America in 2006.

Drug Movement in the Transit Zone

During CY 2005, the interagency identified, through high and low confidence intelligence sources, 514 maritime non-commercial cocaine smuggling events and 157 aerial events originating in South America (numbers extracted from the interagency Consolidated Counterdrug Database or CCDB). If all of these events were disrupted, it would have totaled over 1000 metric tons of cocaine. This amount far exceeds the amount actually disrupted in the transit zone - approximately 246.6 metric tons. Of this transit zone disruption total, JIATF South

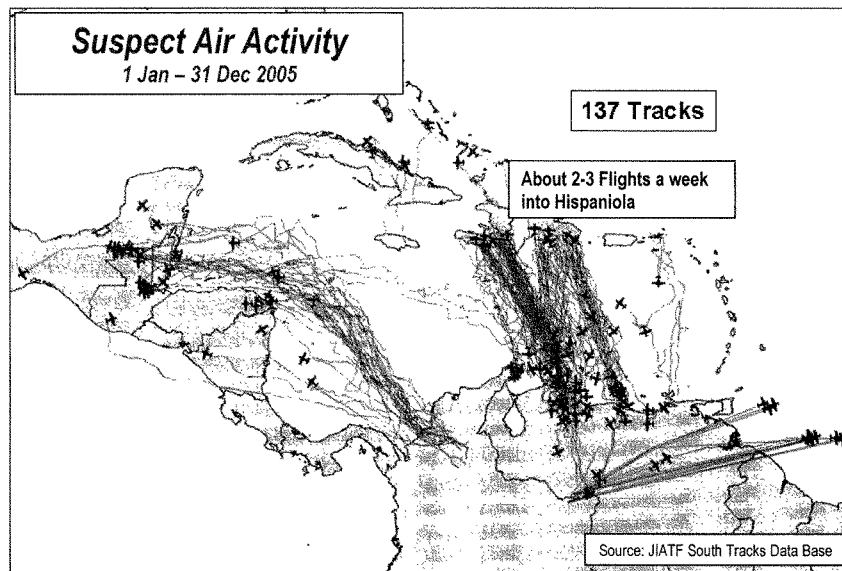
directly supported the disruption of 206.4 metric tons (this excludes the source zone). Put another way, JIATF South supported 84% of all non-commercial, transit zone primary flow cocaine disruptions. Viewing the disruptions through another lens, the total worldwide disruption of all cocaine amounted to 537.8 metric tons and the overall 252 metric tons (transit zone and source zone) JIATF South supported represents 46% of this worldwide total.

As graphically depicted below, the vast majority of drug movement towards the United States - as well as most other end-use markets - is a two-stage process. Additionally, the preponderance of suspected drug trafficking events has as their initial destination of the northern portion of Central America - the southern portion of Mexico.



Note: of the tracks above, 60% are Go-Fasts; 35% are Fishing Vessels; and 5% are Other (sailing boats, private yacht, etc).

The two-step / staging process drug trafficker's use to transit drugs is also reflected in the suspected air traffic:



The above two slides highlight the suspected primary flow of cocaine. The level of knowledge of the secondary flow - how the traffickers continue to move the cocaine after making initial landfall - is not well known.

Interagency and International Personnel

The personnel structure of the JIATF South Team is unique and a major contributor to our successes. We are as much international as we are interagency in composition. We have representatives from the Air Forces of Argentina, Colombia, Ecuador, El Salvador, Peru and Venezuela; the Navies of Colombia, France, Mexico, Netherlands and the United Kingdom; a representative from the Brazilian Intelligence Agency and a liaison officer from the Spanish Guardia Civil. We have representatives from all Services of Department of Defense; Homeland Security provides U.S. Coast Guard and Customs and Border Protection personnel; and DEA and FBI personnel represent the Justice Department contribution. Additionally, all the three letter intelligence codes from Washington, D.C.; NSA, DIA, CIA, NGA, and the NRO have operational personnel embedded in the JIATF South team. An invaluable component is the DOD civilians and contract personnel - all subject matter experts that provide the continuity and backbone for our efforts. This broad spectrum of skill sets come together with one common objective: supporting our D&M mission. It is important to note that the interagency has personnel here not only in senior liaison officer positions, but also in positions that are fully integrated into the staff and empowered to make decisions to execute our D&M mission. To cite a few examples, the US Coast Guard provides the Director; a Vice Director is from CBP, our Deputy Director for Intelligence is from DEA and our Deputy Director for Operations is from Customs and Border Protection, our 24x7 watch floor is manned with DOD, USCG and CBP personnel.

Intelligence

Intelligence is the crown jewel of our national task force and it would not be immodest to say - for the entire counterdrug community. There is no other counterdrug intelligence

organization anywhere that has the breadth, depth, singular focus and synergy found at JIATF South. All-source intelligence fusion and analysis drives our operations and scheme of maneuver. We have a great many sources of information but by far our most critical input comes from U.S. and Partner Nation Law Enforcement. This information is fused with all-source intelligence, analyzed and sanitized as necessary, then aggressively disseminated to our tactical forces - U.S. and our allies.

It is of particular importance to note the extraordinary contribution the JIATF South Tactical Analysis Teams (TAT's). Located in many of the U.S. Embassies, the TAT personnel work closely with the Drug Enforcement Agents within the respective country to glean the tactically actionable information needed to cue the D&M forces. A TAT is modest in size, typically composed of two members. There are currently TATs deployed to 16 countries. In Central America, there are permanent TAT's in Guatemala, Honduras, El Salvador, and Panama. Costa Rica, Nicaragua and Belize have temporary TATs. The U.S. Country Teams recognize extraordinary value of this resource and the demand for them is very high. We have approval to expand existing TAT support in three countries; to send a TAT to two new countries; and have pending requests for yet another five country teams. Funding constraints will dictate how quickly additional TATs can be deployed. Additionally, JIATF South mans and operates the Intelligence Analysis Center (IAC) in Mexico City, Mexico. Similar in function to the TAT's, it is more robust and addresses the international air and maritime illicit targets entering Mexico. The TAT/IAC program is a model where a very modest investment of personnel and equipment pays big dividends for everyone.

Another program that has paid extraordinary dividends is Panama Express (PANEX). Operating from two locations in Florida, PANEX North and South focuses on the Caribbean and

Eastern Pacific respectively. Each component has representatives from all of the U.S. Law Enforcement Agencies and concentrates on developing actionable intelligence to better cue our interdiction efforts. It is no accident that we have had successively increasing disruptions totals over the last 6 years - the information from PANEX has been fundamental to JIATF South's continued disruption successes.

Our intelligence is good and getting better by the day. The creative and innovative application of all our intelligence resources is absolutely cutting-edge. However, cueing us that a drug trafficking event is about to take place is not the same as having the fore-knowledge of when and where the drugs departed, what route the traffickers will take, the speed and direction they will travel or the final destination of the drugs. It is quite rare that we have this level of detail on a drug movement. It is worth noting that even the trafficking organizations can't ensure the departure, speed, direction, and delivery of their shipments. Drug traffickers are extremely furtive by nature and will go to amazing lengths not to be caught. While we are at times able to employ technical intelligence ingeniously in order to generally locate targets, the sizable area that we need to monitor still makes this a challenging task.

Herein lies the crux of the problem to be solved; the ability of the United States and its allies to D&M (find, sort, track, and handoff for interdiction) the initial movement of cocaine in the air (representing about 10% of the total volume) and on the high seas (representing about 90% of the total volume) in order to effectively disrupt the drug's transit. The cocaine flow estimations cited earlier can be translated into expected drug trafficking events. For CY 2006, we expect 230 to 250 smuggling events by go-fast vessels, 140 to 160 fishing vessel events, and 110 to 130 aircraft flights. A go-fast boat is by far the hardest target to find and collectively they represent our greatest maritime threat.

Command and Control

The next core competency I would like to address is our ability to command and control our assigned and apportioned forces through a tremendously large Joint Operating Area of approximately 42 million square miles. We are nationally tasked to coordinate and de-conflict all D&M counterdrug operations. On any given day, we are controlling the U.S. and international contributions of 10 to 12 ships and 6 to 10 air sorties. This all takes place in our Joint Operations Center (JOC). The JOC has communications with all assets under our tactical control. Additionally, the JOC fuses multiple sources of radar, such as Relocatable Over-The-Horizon Radar (ROTHR), U.S. and allied ground based radars (GBR) located in both the source and transit zones and radar data from U.S. and allied ships and aircraft to form a single, fully integrated air picture. This radar picture is then exported to a great number of customers within the United States military and law enforcement agencies and as appropriate, to our allies.

Conducting effective operations with forces this diverse requires a common set of standing operating procedures (SOP). One of the most powerful, but often unseen aspects of this command is that all of the contributing services, agencies and countries leave their respective asset employment doctrine at the door as they enter the building. Over the years, the interagency and international partners at JIATF South have established and continually refine a common set of mutually agreed tactics, techniques, and procedures to ensure all forces are fully coordinated, integrated, synchronized and employed to the best possible effect.

The common operating picture, or COP, previously mentioned is also very important. We utilize real time location inputs from all of the U.S. assets and those from our allies in order to generate a complete picture of all friendly forces operating within our Joint Operating Area. The COP also highlights the current targets of interest being tracked. The COP is disseminated

over various secure communication systems to U.S. military and law enforcement forces and as appropriate, to our allied forces. It is with the COP that we ensure that all participants have a clear understanding of the current operational picture.

Deliberate Planning

The last core competency I would like to address is deliberate planning. JIATF South is nationally chartered to provide regional counterdrug D&M planning support to the interagency and partner nations; we expend considerable effort meeting this important requirement. The breadth and depth of the counterdrug skill sets on our planning staff are found nowhere else. Our planning staff works directly with Ambassadors and our country teams downrange. Through the country teams, we integrate partner nations' counterdrug efforts with JIATF South. At any one time throughout the year, one or two bilateral or multilateral counterdrug operations is underway within JIATF South's JOA - which uniquely encompasses the entire SOUTHCOM AOR, as well as portions of the AORs of EUCOM, PACOM, and NORTHCOM. We host a semi-annual conference, which is being held this week, where all members from the counterdrug community within Central and South America, the Caribbean, Mexico and the United States meet at JIATF South to review the efforts, results and lessons learned from the previous six months; then discuss new initiatives and proposals and initiate planning, coordination and synchronization of counterdrug operations for the next six to nine months. As a result of this process, the entire counterdrug community has an opportunity to be heard and understood; their respective efforts orchestrated to best overall effect.

Our Transit Zone Challenges

Maritime surveillance is our number one D&M issue for the near future, although we continue to improve intelligence, predictive analysis and tactical cuing. The air portion of D&M

effort is better as we utilize ROTH, mentioned earlier, to be able to conduct air surveillance over a substantial portion of our JOA at any one time. While we detect a major portion of all air traffic, specifically identifying the drug flights remains a challenge.

Detection Shortfalls

DOD and the interagency and international community have made a tremendous effort to provide the resources we need.

The international community has also worked hard to provide D&M resources and one of the best examples is the Colombian Navy. While having the smallest portion of the Colombian Defense budget, they continue to have the highest seizures rates. Significant Colombian Navy initiatives; they have trained and implemented a "HITRON like" capability to execute warning and disabling fire (daylight only) from their helicopters while at sea; committed a second frigate TACON to JIATF South for short periods; continue to fully support U.S. agencies to develop and maintain a coordinated joint effort along the North Coast; provide highly qualified LNO's to JIATF South; continue to integrate new interceptor boats into interdiction operations; and they meet regularly with JIATF South to review maritime lessons learned in order to improve interoperability.

Trafficker Tactics in the Eastern Pacific

Looking back in time in the Eastern Pacific (EPAC), the majority of the trafficking movement in 2001 was a fairly straight line between Colombia and the northern portion of Central America / southern Mexico. Since then, as JIATF South continued to refine its business practices and expanded its successes in disrupting cocaine, the traffickers have reacted by moving further south and west. In 2005, we noted that the traffickers are continuing this trend and a good number of multi-ton loads were 1500 to 2000 miles west of South America. This

year we see this trend continue and the traffickers are moving ever deeper into the EPAC. Now we see cocaine-laden mother ships transiting 2000 to 2500 mile west of South America. As the traffickers continually move deeper into the EPAC, they are out-distancing our capabilities to detect, monitor and handoff the event to law enforcement. Compounding the D&M problem is the trafficker's use of other vessels to 'flood the zone'. It is not uncommon to detect several decoy vessels, several more security vessels as well as yet more logistics vessels, all in support of a single trafficking event. The complexity is raised to yet another level in that the roles of each of these vessels may change several times during the event - thus creating an elaborate shell game 'who's got the drugs' over a 4500 mile transit.

We are also noting the traffickers expanded use of semi-submersible vessels. These vessels are designed to ride, when fully loaded, just at and mostly below the ocean surface. The intent of this type of craft is to present as small a visual and radar target as possible to the D&M forces. Finding these conveyances, like go-fast boats, is a real challenge for the command.

Traffickers refining their tactics in the Caribbean

However, to a lesser extent, the traffickers also use the shell game of who has the drugs in the Caribbean. Unlike events in the EPAC, the trafficking events in the Caribbean are much shorter in duration, often over in 20 - 30 hours. The traffickers also demonstrate considerable sophistication in preparation for and execution of the drug run. Recently, while executing regional CNT operations within the northern portion of the western Caribbean, the CBP tracker aircraft under the tactical control of JIATF South detected a go-fast just off the coast of Belize City, about 4:00 am. The go-fast counter detected the CBP tracker and headed towards one of the rivers near Belize City. Belizean Defense Forces, to include their newly established Coast Guard and members of the national drug police, responded to the event. They were unable to

keep the go-fast from entering the river, but were able to seal off the river above and below the suspected location of the go-fast. They did find the go-fast, abandoned in a tributary of the river but the crew and cocaine were gone. What they were able to recover is the electronics that the traffickers left behind in their haste to escape arrest. The electronics included two satellite phones, two global positioning systems (GPS), two power sources - one was a battery pack and the other an inverter (converts AC power to DC) - both of which would provide power to the phones or the GPSs, a pair of the latest generation off the shelf night vision device, a hand gun, and other smaller personal items to include a wallet. Clearly, the phones and the GPSs were used to ensure the trafficker knew where and when to rendezvous. He could communicate independent of long haul radios or cell phone towers. Lastly, the DTO that set up the run could use this equipment to keep the trafficker in the dark as to the route, timings and locations until he was at sea. It is possible the driver of this go-fast had no idea of where he was going until he departed Colombia. Thus, even if we had foreknowledge that the event was going to take place, only maritime patrol aircraft can find this type of event that is becoming a more common occurrence.

What we expect for the remainder of 2006 and the beginning of 2007

As noted earlier, the traffickers operating in the EPAC and the western Caribbean are making rapid changes to their modus operandi. We are of the opinion that this will continue for the near term as the traffickers are adjusting to our disruption successes of 2005. They too are businessmen and can not continue to sustain the 2005 losses without making alterations. It is important to understand why 2005 was such a watershed year and as a result, the trafficker's radical reaction. The basis of the all-time high record of JIATF South supported disruptions was a collaborative effort through the coordination, integration and synchronization of our

intelligence programs and several long-standing regional operations. Within the Caribbean there were operations CARIB SHIELD and CARIB VENTURE. In the western Caribbean and Central America there were operations CONTRAATAQUE, CENTRAL SKIES, BIRD STRIKE and CORRE CAMINOES. CORRE CAMINOES deserves special mention; it is DEA's regional land centric effort within Central American and Mexico. As this regional operation matures and is integrated with the other long standing air and maritime regional operations, everyone's efforts will be leveraged against the drug trafficker.

Closing

In spite of our challenges we continue to be successful for two primary reasons. First, is Unity of Command - the entire JIATF South team works with a common vision and a common purpose. The second is Unity of Effort. The tremendous caliber of people who dedicate their professional talents to safeguarding America's citizens by interdicting the drug traffickers far from our borders is simply extraordinary. This strategically important endeavor warrants our continued best efforts.

Ms. FOXX. Thank you very much.

Mr. Braun, thank you for joining us. You are also recognized for 5 minutes.

STATEMENT OF MICHAEL BRAUN

Mr. BRAUN. Thank you, Madam Chairwoman, Ranking Member Cummings. Thank you for the opportunity to testify on the transit zone through which a vast majority of drugs are destined for the United States.

I spent a great deal of time on the ground in South and Central America in the mid 1980's to mid 1990's, leading teams of specially trained and equipped DEA agents working shoulder to shoulder with our host nation counterparts on enforcement and interdiction operations. We were responsible for seizing massive amounts of cocaine and heroin at remote clandestine laboratories, as well as clandestine airstrips. We were also involved in seizing large loads of drugs from some of the first go-fast boats that the traffickers threw at us. We had far greater resources during that period than we have today, but we are seizing far greater quantities of drugs today than we were during those operations.

How is that possible? It really boils down to three things. First, far greater intelligence, especially human intelligence, is being collected by the DEA and other Federal law enforcement agencies, and shared quickly with our military through JIATF South.

Second, far greater levels of cooperation between the U.S. inter-agency community that supports our Nation's drug interdiction and enforcement efforts in this part of the world. I would like to mention here as well that we are experiencing tremendous levels of cooperation with most of our host nation counterparts, and we have no greater ally in this fight than the country of Colombia, represented by Admiral Echandia today.

Third, an enhanced by JIATF South to ingest multi-source intelligence from law enforcement and the intelligence community, and to quickly fuse and assess that intelligence and coordinate the successful intervention by U.S. military and law enforcement assets. In essence, we have learned over the years to fight smarter with less. That is the good news story and something that all of us at this table are very happy and proud of. I have 32 years of experience in this business serving at the local, State and now Federal levels of law enforcement. I have never seen cooperation this good.

With that said, there are some things that nag me. Major drug trafficking organizations are not burdened by bureaucracy. They can turn on a dime and often do. We are seeing signs that major syndicates may be shifting on us once again back to the air, we do not believe in a big way at this point. The real threat remains out on the water, but we are seeing it as depicted in some of the photographs that are in this room. It is best illustrated in these photographs, I believe, in an area called the aircraft graveyard or bone yard, in a very remote area of the Petan in Guatemala, which borders the Mexico border. Most of these planes were filled with drugs that were ultimately destined for the United States.

I am sure you are aware of the DC-9 jet that recently landed in the Yucatan area of Mexico, laden with 5.6 tons of cocaine. That

flight originated from Venezuela. Everyone at this table is working hard to counter that threat, but it is never easy.

What also concerns me is something I am seeing throughout Central America and the Caribbean, weak economies and even weaker institutions. That is a recipe for disaster, considering that roughly 90 percent of the drugs flowing into our country from South America transit Central America. The leaders of the major drug syndicates are exploiting this situation, and they have hundreds of millions of dollars to do it, to corrupt all levels of Government, including law enforcement, prosecutors, judges and even longstanding military institutions, and that presents us with some very unique challenges. Factor into that equation the drugs-terrorism dimension, and we have even more to be concerned about.

I mentioned earlier the unprecedented levels of cooperation between all of us at this table and the thousands of coworkers and colleagues we represent. There is no greater example of that than what we are now doing and experiencing in the interagency drug flow prevention strategy. At the direction of Administrator Karen Tandy, the DEA reached out to the interagency community to determine if there was more that we could do to disrupt the flow of drugs, money and chemicals between the source countries and the United States. We all got together, assessed the simple question, a challenge really, from every possible angle, and we came up with some very innovative ideas that had not been tried in the past. We have incorporated those ideas in two recent operations, and I believe we are all surprisingly impressed with the results.

We know that we caused significant disruption and headaches for the major syndicates and the smuggling infrastructures that support their operations. Suffice it to say that we know that the traffickers postponed or canceled their operations, modified methods of conveyance, varied smuggling routes and jettisoned loads, all of which cost them time and money, and most important, made them even more vulnerable to law enforcement action.

Our two greatest partners in this strategy, by the way, are JIATF South and CBP. I would be happy to team up with them and others and provide you with a classified briefing on this strategy and the results of our first two operations whenever you would like.

Madam Chairwoman and esteemed members of the committee, the one thing that the world's most notorious drug traffickers fear the most is U.S. justice. I would like for you and the committee to know that you have DEA's continued commitment to identify, investigate and bring to justice the world's most notorious drug trafficking syndicates.

Thank you for the opportunity to testify today, and I welcome questions.

[The prepared statement of Mr. Braun follows:]

**Statement of
Michael Braun
Chief of Operations
Drug Enforcement Administration
Before the
House Government Reform Committee
Subcommittee on Criminal Justice, Drug Policy and Human Resources**

**Regarding
“Transit Zone Operations: Can We Sustain Record Seizures With
Declining Resources?”**

Good afternoon, Chairman Souder, Ranking Member Cummings, and distinguished members of the subcommittee. On behalf of the Drug Enforcement Administration’s (DEA) Administrator Karen P. Tandy, I want to thank you for your continued support of the men and women of DEA, as well as the opportunity to testify on our enforcement efforts throughout the transit zone and how DEA continually adapts to the increasingly complex challenges we face in the region.

My testimony today will focus on the Central America region of the transit zone, where a vast majority of the cocaine destined for the United States transits, and I will discuss DEA’s enforcement strategy as well as our bilateral initiatives with our Latin American counterparts.

The United States is finding smarter and better ways to leverage its resources to continue to address important -- and inter-connected -- priorities such as our drug interdiction program in the Western Hemisphere and other types of global threats. The good news is that, today we know more about how drug trafficking organizations operate. We are able to work more effectively, work smarter, and interdict more. Governments throughout Latin America, who in the past may have been reluctant to work with us, are now asking for more assistance and collaboration.

Today, we have better intelligence and better interagency coordination to act on this intelligence. We have been able to develop, and continue to expand upon a “defense in-depth” strategy. The DEA’s strategic deployment of approximately 38 percent of our foreign workforce to Latin America demonstrates the importance of the region and how our agency continually adapts to the increasingly complex challenges we face in the Transit Zone.

We believe that to effectively combat drug trafficking in Central America and the transit zone, the United States must maintain a sustained, multi-agency approach. The DEA focuses on improving the region’s counter drug capabilities through developing

personal liaisons with host nation law enforcement authorities, institution building with host nation governments, conducting bilateral investigations, and by attacking the command and control structures of major drug trafficking organizations. In April 2005, the DEA proposed to the counter-narcotics community and has taken the lead in implementing a multi-agency International Drug Flow Prevention Strategy (IDFPS) designed to significantly disrupt the movement of drugs, money and chemicals between source zones and the United States.

Challenges in Central America

Mexico and countries in Central America lie directly between the traditional drug producing countries in South America and drug consumers in the United States. Geographically, these nations provide a natural conduit for illicit drug trafficking organizations that threaten our national security through not only their trafficking activities, but also their corrupting influence on governments throughout the region. This region will remain the primary transit zone for U.S.-bound drugs produced in Mexico and South America for the foreseeable future and the billions of dollars that flow back to the drug trafficking syndicates.

All seven Central American countries are actively used by major trafficking organizations to smuggle drugs and money between South America and the United States. With few exceptions (notably Costa Rica and Panama), the countries in Central America are ill-equipped to handle the threat of drug trafficking. Weak economies, and fragile institutions can further exacerbate the challenges. Police and other drug enforcement agencies are often under-funded and receive inadequate training. Consequently, some officials are susceptible to the substantial bribes that drug traffickers can offer. The corrupting power of illicit drug trafficking organizations on the governmental institutions of Central America significantly increases the difficulties of mounting successful drug enforcement and interdiction efforts.

Complicating this picture is the increased involvement by major Mexican and Colombian drug trafficking organizations in Central America. These powerful organizations rely on the hallmarks of organized crime to carry out their operations, namely, corruption, intimidation, and violence. Both South American and Mexican drug trafficking organizations are linking up with host-country transportation organizations that are highly compartmentalized, so that if one member is arrested, or one cell is dismantled, the operation as a whole is not compromised. Traffickers also use the latest technology such as cellular and satellite phones, text messaging, HF/UHF/VHF radio communications, global positioning systems and voice-over-internet protocol. The rapid expansion of secure communications provides additional challenges to law enforcement.

Challenges in the Eastern Pacific and Caribbean

The Eastern Pacific (EPAC) and the Western Caribbean present unique challenges to detection and monitoring: the EPAC due to its vast size, and the Western Caribbean because of the relatively short transit for smuggling events, particularly those using go-

fast boats, and the fact that many occur in or near the territorial waters of the surrounding countries.

The DEA Special Agents and Intelligence Analysts assigned to Central American offices work with host country anti-narcotics agents in developing enforcement operations against those drug trafficking organizations with ties to the United States. In order to conduct these operations, the DEA works jointly with and relies heavily on U.S. resources provided by the Department of Defense (DOD) and the Customs and Border Protection, (CBP), Department of Homeland Security (DHS).

Within the past ten years, there has been a decline in U.S. Government counter-narcotics assets in Guatemala as the air threat shifted to an overwhelmingly maritime threat. Previous Guatemalan Administrations, which were riddled with corruption scandals, responded by gutting the Guatemalan military units that had worked effectively in-country.

Evidence began to appear in 2003/2004 that cocaine traffickers might be returning to trafficking flights through Central America and into southern Mexico, mainly because of an increase in the number of unidentified but assumed suspect Relocatable Over the Horizon Radar (ROTHR) tracks fading into that region. Although in the second half of 2004 the number of unidentified but assumed suspect tracks dropped markedly; in 2005, there were 128 unidentified but assumed suspect tracks, an increase over the 2004 level. The U.S. continues to monitor the situation, but traffickers still utilize maritime for more than 90 percent of the documented cocaine flow moving toward the United States.

Aerial photographs provided by the DEA and other U.S. assets reveal an "aircraft graveyard" in the northern Peten area of Guatemala. These photos demonstrate that drug traffickers are successfully flying drug shipments into the area; the area represents the final destination for many of these drug laden aircraft, which are either damaged on landing or are intentionally destroyed by the organizations. The area also provides the traffickers with logistical advantage over host country anti-narcotics police through a quick egress from Guatemala into Mexico via unpaved and unmonitored roadways. Because the Guatemalan government lacks helicopters to transport law enforcement or military personnel into this and other remote areas, there is no end game capability. Recently, the Guatemalan Government established an interagency task force to destroy clandestine airstrips in the national park areas of the Peten, but these strips can be quickly reconstituted.

El Salvador, Nicaragua, Honduras, Guatemala and Panama each maintain a small naval contingent with limited resources available for counter drug operations. The Coast Guard assets in Belize and Costa Rica face the same resource challenges as the other Central American countries. Furthermore, the maritime assets of these countries depend on DEA's reimbursement for fuel and other operational costs in order to conduct operations.

Mobile Inspection Teams (MITs) have been established in each of the Central American countries. These are specialized units trained in identifying false compartments within conveyances, as well as interview techniques, and rapid deployment. The MITs are limited in their ability to travel throughout the country due to lack of fuel, subsistence and aircraft capable of moving them quickly into remote areas when a smuggling event is known to have taken place. This has relegated them to one, possibly two, ports of entry leading in and out of their country. Specific overland operations requested by the DEA can occur only if funding is provided by the Bureau of International Narcotics and Law Enforcement Affairs (INL) of the Department of State or the DEA.

Working Smarter

According to the Office of National Drug Control Policy's Interagency Cocaine Movement Assessment (IACM), the majority of cocaine destined for the United States transits the Mexico/Central America corridor, as opposed to the Caribbean corridor. The IACM's preliminary numbers for 2005 indicate an estimated 91 percent of the cocaine destined for the United States transited this corridor which includes the maritime routes in the Western Caribbean and Eastern Pacific. These numbers have remained fairly constant for the last several years.

There is no comparison between the typical size of seizures that occur on the Southwest border of the United States and the ones encountered in the Transit Zone. Along the Southwest border, seizures are most always under 50 kilograms, usually around 20 kilograms. In the Transit Zone and the Eastern and Western Pacific corridor, seizures are often multi-ton in size. The DEA is committed to attacking those drug trafficking organizations operating within Central America and recognizes that interagency cooperation and coordination are fundamental to increase the efficiency of our operations in the transit zone. To combat this level of drug smuggling, the DEA strongly believes we must take an offensive approach to prevent the bulk drug shipments from moving further into the transportation chain where fragmentation occurs, in most instances on the Mexican side of the Southwest border. Accordingly, DEA's efforts are focused on stopping the drugs before they get to Mexico, reflecting defense in-depth.

In response to the President's National Control Strategy calling for market disruption by attacking the flow of drugs, the DEA is working closely with JIATF-South and the inter-agency community developed and is implementing a multi-faceted and multi-agency International Drug Flow Prevention Strategy (IDFPS). This enforcement effort is based on gathering, compiling and analyzing intelligence from multiple participating agencies including the Department of Defense, the U.S. Coast Guard, Customs and Border Protection, the National Security Agency, the Central Intelligence Agency, the Defense Intelligence Agency, the Federal Bureau of Investigation, JIATF-S, and host national law enforcement and military counterparts from Colombia, Ecuador, Panama, Costa Rica, Nicaragua, El Salvador, Honduras, Guatemala, Belize and Mexico.

The three pillars supporting this strategy are: (1) intelligence-driven enforcement, (2) innovative, well-planned and coordinated multi-agency operations incorporating sequential planning processes based on predictive intelligence, and (3) leveraging of all intelligence and operational assets available through the multi-agencies, including the U.S. military and Intelligence Community. Since this is a multi-agency strategy, all available resources and assets have been brought to bear in response to credible intelligence queries. By concentrating law enforcement efforts in the Central America corridor, bulk drug shipments, typically multi-ton in quantity, could be interdicted before they reach Mexico, where the drugs are normally broken down into smaller quantities for transshipment north.

In order to maximize the effectiveness of U.S. resources in the transit zone, well-coordinated, interagency efforts are crucial to the achievement of our objectives and the effectiveness of the IDFPS. I am proud to say that this strategy has been proven effective, and is one of the key factors responsible for the successful seizures we had in the past year.

The bottom line is that even the greatest intelligence in the world is ineffective if there are no response capabilities to carry out the end game. DEA agents and analysts in Central America tell us that the drug traffickers are highly attuned to the actions of law enforcement, are procedurally experienced and extremely adept. For example, in air smuggling operations, the traffickers are working faster than ever, and within 7-10 minutes of the landing the drugs are off-loaded and moved out, whether that occurs on a remote beach or on an airstrip. Because of the speed of these off-load operations, even if the authorities can respond, only some of the load is seized. We must have good intelligence and pre-positioned assets to respond to that kind of threat because of the speed at which these air and maritime smuggling operations conclude. Timely coordination with multi-agencies and our host country counterparts is critical to the success of our enforcement operations.

Current DEA Operations

Operation All Inclusive

The first initiative developed under the auspices of the IDFPS (*International Drug Flow Prevention Strategy*) is Operation All Inclusive (OAI), which targets the Eastern Pacific (EPAC) and West Caribbean transit zones of Central America and Mexico and also includes the land mass of the isthmus. OAI attacked the drug trade's main arteries and support infrastructure in Central America with innovative, multi-faceted and intelligence driven operations. The Intelligence Community, The Department of Defense, other U.S. government agencies and host nation law enforcement and military supported both operational and intelligence aspects of this operation. Due to the enormous volume of illicit drugs and money moving within this region, this operation targeted four areas in the movement of drugs and monies: maritime, overland, commercial air and private air smuggling.

The initial implementation of Operation All Inclusive (OAI 2005-1) was a resounding success and proved it was a strategy that can and will have a significant impact on drug trafficking organizations and operations. While I cannot get into specific details of this operation in an open environment, intelligence clearly identified the disruption of maritime, air and overland and smuggling. The following are a few examples of our successes:

- Largest cocaine seizure in Belize – Over 2,300 kilograms
- Largest currency seizure in Nicaragua - \$1.2 million
- Significant currency and cocaine seizure in Panama – 3.9 metric tons and over \$5.7 million
- Significant marijuana seizure as a result of a Mexico road interdiction operation – 21 metric tons
- Over 40 metric tons of cocaine seized during this operation.

The second phase of this initiative, Operation All-Inclusive 2006-1 (OAI 2006-1) built upon some of the lessons learned in 2005 and has proven similarly successful. We have also seen an expansion of the participants including the first time participation of the Governments of Colombia and Ecuador. This is particularly significant because of the increasing use by drug trafficking organizations of Ecuadorian boat crews, and the high number of maritime departure points from both countries. Some of the successes for OAI 2006-1 are:

- Over 38 metric tons of cocaine seized
- Over 13 metric tons of marijuana seized
- The seizure of 58 kilograms of heroin (South American and Mexican origin)
- In Colombia, 10 cocaine processing laboratories were dismantled and 75 tons of precursor chemicals were seized.
- Also in Colombia, many of the smaller cocaine seizures (10 kilograms or less) at the airports and from parcel interdictions were destined for Spain.
- Seizure of 5.6 tons of cocaine in Mexico from a DC-9 that originated in Venezuela. This seizure is one of the largest in recent history in Mexico, and may be a sign that interagency coordination efforts with our counterparts such as JIATF-South and the U.S. Coast Guard are forcing traffickers out of the waters and back into the air.

Throughout these initiatives, the participating agencies and the DEA offices in the Western Hemisphere provided immediate feedback through investigative means regarding the reactions that traffickers made in response to our enforcement operations.

We know from both OAI initiatives, traffickers reacted to the actions of law enforcement either through sources or through simple observation and adjusted their operations accordingly. During the course of both OAI initiatives, DEA was able to determine through intelligence sources that traffickers postponed or canceled their

operations, modified their methods of conveyance, varied smuggling routes, and jettisoned loads as a result of the our enforcement efforts.

I don't want to leave you with the impression that everything worked perfectly for OAI. The DEA identified several vulnerabilities in both phases of OAI. Corruption within host nation governments, law enforcement and military was prevalent and in some instances, led to the DTOs becoming immediately aware of any ongoing law enforcement operations. The DTOs would often employ "scouts" along the highways to look for police checkpoints and postpone operations until they felt it was safe to operate. In addition, successful operations were also hampered because of the host nation's lack of land interdiction assets, such as personnel, checkpoint stations, drug detection dogs and fuel availability for air and maritime operations, and helicopters that could quickly move law enforcement into the fight. Those issues continue to be a problem today, and there are problems maintaining the mechanical readiness of host country ships and aircrafts. Despite these difficulties, DEA considers the OAI a successful operation, and further deployments are anticipated in the region. This operation demonstrated what can be accomplished through strong multi-agency level information sharing and will serve as a foundation to build further cooperative relationships throughout the region. Furthermore, I have to say that some of this would not have been possible without the outstanding support and coordination of assets by JIATF-South.

Operation Panama Express

Operation Panama Express (PANEX) is an interagency "Organized Crime Drug Enforcement Task Force" comprised of agents and analysts from DEA, FBI, ICE and the Coast Guard engaged in long-term investigations targeting the highest levels of traffickers responsible for the financing, production, transportation and distribution of cocaine throughout North America and Europe. PANEX became a proactive investigation in January of 2000. Since that time, this operation has continued to expand by obtaining the intelligence necessary to effect the interdictions of vessels operated by cocaine smuggling organizations. The following are arrest and seizure statistics for Operation Panama Express for fiscal years (FY) 2003 through 2006. The seizure amounts include shipments that were scuttled.

- FY 2003 - arrests - 216; seizures - 63,000 kgs
- FY 2004 - arrests - 261; seizures - 110,109 kgs
- FY 2005 - arrests - 310; seizures - 130,508 kgs
- FY 2006 - arrests - 103; seizures - 62,794 kgs
(thru 04/01/06)

There have been approximately 225 interdictions credited to Operation Panama Express since its inception in 2000.

Operation Firewall

The north coast of Colombia is a major embarkation zone for go-fast vessels laden with multi-ton quantities of cocaine destined for the United States via the Caribbean and Central America. It is estimated that several hundred go-fast boats leave the Colombian north coast annually and each go-fast has the capability to transport between 1.5 and 2 metric tons of cocaine. To combat this situation, the DEA Cartagena Resident Office, in conjunction with the Cartagena Tactical Analysis Team and JIATF-S, developed a maritime interdiction program on the Colombian north coast called Operation Firewall. This program works in tandem with Panama Express and other maritime initiatives to target and maximize interdiction capabilities against Consolidated Priority Organization Targets (CPOTS), as well as Colombian transportation organizations operating in the Caribbean.

Since the inception of Operation Firewall in July of 2003, and through December 2005, the program has resulted in the seizure of more than 29.2 metric tons of cocaine.

Recent Progress in the Region

Colombia

DEA works closely with host nation counterparts to aggressively pursue, apprehend and extradite the senior leadership of Consolidated Priority Organization Targets (CPOTS) to the United States. The leaders of the most significant international Drug Trafficking Organizations (DTOs) threatening the United States have been identified on the Consolidated Priority Organization Target (CPOT) list. Today, 38 of the 44 organizations on the CPOT list are based in Latin America and 17 are based in Colombia.

Through close cooperation with the Colombian government, we continue to make great strides against the Revolutionary Armed Force of Colombia (FARC). The FARC continues to use the drug trade as its major financing source. The recent Federal indictment which was handed down on March 1, 2006, in the United States District Court for the District of Columbia, naming 50 leaders of the FARC as defendants clearly demonstrates the progress we have made. Three of those charged are presently in custody in Colombia, and the United States will seek extradition of these individuals. In addition, the United States Department of State has also offered rewards ranging from \$5 million each for the top seven leaders, to \$2.5 million each for 17 of the second-tier leaders, for information leading to their capture. It is well-documented by DEA that individual FARC fronts are involved in multiple levels of the drug trade, ranging from coca cultivation and cocaine production, to taxation and providing security at processing laboratories and clandestine airstrips, to cocaine distribution and transportation. This indictment is the first of its kind, where the entire leadership of a Foreign Terrorist Organization was shown to be involved in narcotics distribution to the U.S. and further demonstrates DEA's resolve to combat narcotics distribution at the source and to contribute significantly to our Nation's war on terrorism.

Guatemala

In June, 2005, I traveled to Guatemala and met with President Oscar J. Berger where I communicated the DEA's support for Guatemala's legal reform. President Berger concurred with the need for a vetted police unit to gather intelligence, conduct undercover operations, and conduct international controlled deliveries. As a demonstration of both the United States' and Guatemala's commitment to this effort, the DEA has provided funds for the initial startup of this unit, and the Narcotics Affairs Section (NAS), Bureau of International Narcotics and Law Enforcement Affairs (INL) of the Department of State has committed additional funding and support for this initiative.

The Government of Guatemala has realized that the police require investigative tools to accomplish the difficult task of combating drug trafficking organizations operating within their country. An Organized Crime Bill (OCB) in the Guatemalan Congress was introduced that will permit the police to conduct national and international controlled deliveries, undercover operations, conspiracy investigations and Title III intercepts. On March 30th, the Legislature passed the OCB; however, a Presidential Review identified concerns over the decreased penalty portion of the conspiracy law. President Berger has vowed to veto the legislation until the original penalties are reinstated in the bill. The OCB will be revisited once these changes are made.

Panama

Judicially authorized wiretap investigations are legal in Panama, and can be used for investigating a variety of crimes, including drug trafficking. The Panama Attorney General authorizes law enforcement to intercept telephone communications for the purpose of obtaining evidence against the targets of an investigation. The evidence is then presented in a Panamanian Court of Law to assist in the prosecution of the targets of investigation. This evidence can also be shared among law enforcement agencies within the region in an effort to completely dismantle the drug trafficking organization.

The DEA Panama Country Office telephone intercept project is currently being developed by the Office of the Panama Attorney General, the Panama Judicial Police and the United States Embassy in Panama (DEA/NAS). The purpose of the project is to establish an effective, judicial cellular telephone intercept capability in Panama that will facilitate significant international investigations and DEA Priority Target Organization (PTO) cases. We anticipate that this project will be fully operational by June 1, 2006.

Conclusion

Mr. Chairman, the DEA is committed to working both harder and smarter in dealing with the threat of transnational drug trafficking that affects our country. We recognize that joint service interagency, and multi-national coordination and cooperation are essential elements of the President's National Drug Control Strategy. Drug trafficking organizations operating within production countries in South America use the Mexico/Central America corridor as the primary transit zone for illicit drugs destined for the United States. These organizations have the ability to overwhelm the limited defenses of these transit zone countries, and the vast illicit funds available to them enables them to endure, despite anti-drug efforts put forth by countries in Central America. We are working tirelessly to enhance the effectiveness and efficiency of our enforcement operations in the Transit Zone.

We thank you for your continued support of DEA and for the opportunity to testify here today. This concludes my formal statement and I look forward to answering any questions you may have at this time.

Ms. FOXX. Thank you, Mr. Braun.

Major General Kostelnik, thank you for joining us. You are recognized for 5 minutes.

STATEMENT OF MICHAEL KOSTELNIK

General KOSTELNIK. Thank you, Madam Chairman, Congressman Cummings. It is a pleasure to be here representing U.S. Customs and Border Protection to talk about our focus in the southeast region on the counternarcotics part of the transit zone.

As I think you all know, our organization is about 3-years-old, and are completing a fairly historic merger of various affiliated activities, and now as our focus is on the Secure Border Initiative of the administration, I want to make it clear that our emphasis remains dedicated in the southeast region. As a matter of fact, Admiral Hathaway has talked about how important the P-3s are in this overall mission in the transit zone, and we are pleased that 2005 was a banner year for us.

We were very active with our 16 aircraft. We were able to fly our 7,200-hour commitment, and along with the rest of the JIATF South team, resulted in remarkable results last year.

The P-3 fleet this year, unfortunately, had some grounding problems, and about a month ago we grounded our P-3s. The aircraft are in many cases 35 to 40-years old. They have in many cases 35,000 to 37,000 hours of flying time, and as the chairman's comments pointed out, it is clearly time for some attention. The grounding story was a good news one in the fact that the ongoing inspections we have were able to identify cracks in the leading edges, bathtub fittings of the wing, that we are able to fix. In fact, in a fairly quick time we have returned now almost half of our fleet back to flight, and while it will be a challenge for us to fly the same amount of flying time that we did last year, we are certainly back on track and have already produced some reasonable results with the 8 aircraft that we have already returned to flight. By the end of the summer we expect to have another 6 aircraft up, and that would put us back into our normal operation situation, where the bulk of the aircraft are flying, and 2 aircraft are down in maintenance.

Our long-term vision, although focused on the border security and all on just the southwest border—there is so much in the news today—but the northwest border and the coastal regions as well. Our focus remains focused in this transit area on the anti-narcotics area. Not only are we putting these things into our long-range strategic plan, we are in the process of increasing our service life extension activities on the P-3 aircraft. Fortunately, due to the foresight of Congress, we have investment money in 2006, and plans to transition this into 2007 to create this summer a prototype program to start dealing with the aging issues to ensure that we can fly the P-3s for the foreseeable future.

We feel this is a prudent thing to do, and these aircraft and their sensors are very much attuned to the mission we have, and these are the things we have in our future.

At the same time, we have other assets in the southeast region dedicated to this activity, both aircraft and marine units, more closely associated with the coastal regions and the Caribbean. Over

the next several years we do intend to recapitalize, improve these capabilities as well. We are bringing on the new DASH aircraft with new sensors to augment the P-3's smaller, shorter range, a different aircraft, but one that will replace our C-3 or C-12 aircraft and give us much more capability in the southeast region.

So as I close and welcome your questions, our focus remains unchanged. There are a lot of things on our plate as we look to the southwest border with both immigration and drug issues, but our laydown in the southeast region, our commitment to JIATF South and the rest of the partnership remains solid in that regard.

I welcome the chairman's questions.

[The prepared statement of General Kostelnik follows:]

**STATEMENT
OF
GENERAL MICHAEL KOSTELNIK
ASSISTANT COMMISSIONER
CUSTOMS AND BORDER PROTECTION
OFFICE OF AIR AND MARINE
BEFORE THE
COMMITTEE ON GOVERNMENT REFORM - SUBCOMMITTEE ON
CRIMINAL JUSTICE, DRUG POLICY, AND HUMAN RESOURCES
REGARDING
U.S. AND ALLIED COUNTERDRUG OPERATIONS IN THE TRANSIT ZONE
OPERATIONS – CAN WE SUSTAIN RECORD SEIZURES WITH DECLINING
RESOURCES**

**APRIL 26, 2006
2203 RHOB**

Good morning, chairman Souder, ranking member Cummings, and members of the subcommittee. It is my pleasure to be with you today to discuss the Customs and Border Protection (CBP) work on counternarcotic operations in the Transit Zone. This issue is of enormous importance, and CBP, in conjunction with our interagency colleagues and the law enforcement agencies and military forces of other nations, is proud to work in support of counter-narcotic programs to confront the transnational threat and to reduce the amount of drug smuggling that occurs across U.S. borders. CBP protects the Nation's borders and the American people from these smuggling activities. Among the many tools we use is an integrated, coordinated, and highly trained air and marine interdiction force.

Central American countries and their maritime borders, as well as large sections of the Caribbean and Pacific Ocean, are the primary corridors through which illicit drug-producing organizations in South American countries and United States consumers connect. With complex topography and central geography, those nations provide a natural channel for drug trafficking organizations and they will remain the primary Transit Zone for illicit drugs bound for the United States for the foreseeable future.

Battling the transnational drug threat is a primary activity for CBP. CBP core competencies are applicable to any illegal attempt to violate U.S. borders. CBP resources used in counter-drug related activities support our efforts to secure the borders and complement transnational threat interdiction.

Our counternarcotic missions include detection, and monitoring as well as tracking, interception and interdiction of illegal conveyances. Primarily using sensorized aircraft and information from

intelligence, investigations, and ground-based sensors, our air interdiction agents are able to monitor areas of mountainous terrain, thick jungles, and oceans, which are difficult to monitor with only ground- or marine-based assets. CBP marine interdiction agents are often directed from airborne platforms for maritime interdiction operations along the coastal waterways of the United States, Puerto Rico, and the common waterways of the United States and Canada.

Interagency cocaine seizures and disruptions have increased 124 percent, from 103 metric tons in 2000 to 231 metric tons in 2005. Joint Interagency Task Force (JIATF) South has attributed this increase to the improvement in cooperation among U.S. agencies and bordering nations, better intelligence, and the ability to stop go-fast boat efforts with the introduction of armed helicopters. Under the coordination of JIATF South, multiple forces have combined to seize and disrupt a record amount of cocaine for the last three calendar years. CBP remains a significant partner with JIATF South and the interagency community. CBP aircraft provide over 50 percent of JIATF South's maritime patrol aircraft flight hours. In 2005, CBP P-3 aircraft contributed to the interdiction of 211,000 pounds of uncut cocaine. Using standard drug values, that equals \$235,433 worth of drugs interdicted for every P-3 flight hour that is flown in support of JIATF South.

Despite drastic improvements that are evidenced by these numbers, "known and actionable" maritime illicit drug movements in the western Caribbean Sea and eastern Pacific Ocean remain due to challenges such as budget constraints and other homeland security priorities, such as disaster response, that take precedence over this mission. Such issues leave the long-term nature of Transit Zone interdiction activities in a state of flux. It is also important to note that Transit Zone traffickers continue to modify their strategies as our coordinated efforts improve. We must remain agile and continue to strengthen our interagency and international relationships and employ new strategies to have a continued impact on the drug market.

CBP is committed to continuing to support the efforts in the Transit Zone. As the primary agency responsible for protecting our borders, we will continue to employ our assets to fight the flow of illegal drugs across American borders. Interdicting transnational threats far from our borders contributes to border security and is part of CBP's "extending the borders" strategy. We are deeply committed to working with the Congress, our military, other law enforcement agencies, and our international partners to keep illicit drugs out of the United States.

Mr. Chairman, this concludes my testimony and I would be happy to answer any questions you may have. Thank you for your time.

Mr. SOUDER [presiding]. Thank you. Let me say for the record, I apologize I was late. We were actually voting over in Homeland Security on a number of amendments and final passage on Homeland Security.

I thank you all for coming, and let me next recognize Rear Admiral Wayne Justice, Assistant Commandant for Enforcement and Incident Management of the Coast Guard. Thank you for coming.

STATEMENT OF WAYNE JUSTICE

Admiral JUSTICE. Good afternoon. Thank you, Mr. Chairman, and distinguished members of the committee. It is an honor to represent the Coast Guard men and women before you here today.

This committee has asked if we can sustain record seizures of cocaine in the transit zone with declining resources. To answer that question, I would say, no, we probably cannot. The Coast Guard is providing the same or subtly more resources to join Interagency Task Force South, and the Coast Guard will meet and/or exceed our interdiction targets for this year.

However, it is increasingly difficult, as my colleagues have stated, to sustain our current levels of success given the changing battlefield upon which we are now engaged.

Our adversaries are shifting tactics and exploiting the very tools that have made us successful, expanding the transit zone and trying new and unusual methods of escaping our grasp.

Airborne use of force has given us the ability to stop the go-fast vessels we find that have been the primary method of smuggling. Lately, there has been a perceived shift from go-fast to fishing vessels. We see this tactical shift, if in fact it is a shift, as most likely reaction to the highly successful airborne use of force program.

Prior to fiscal year 2004, there were no Ecuadorian flagged fishing vessels seized with drug loads. Now, for the first time ever, the number of Ecuadorian flagged fishing vessels seized for smuggling exceeds the number of Colombian flagged fishing vessels. This shift is perceived to counter the successes against Colombian flagged vessels, which come from utility of the U.S.-Colombian bilateral agreement, as well as the extraordinary coastal and littoral results by both DEA and the Colombian Navy.

We are maintaining an aging fleet of ships and aircraft. We continue to lose patrol days to maintenance. In fiscal year 2005 the Coast Guard lost 534 major cutter patrol days due to mechanical failures. In this current fiscal year we have already lost 333 days. For perspective, one cutter a year equals 180 days.

Sir, the Coast Guard would never bring you a problem without bringing a solution. Now more than ever before, I say we—and by we I mean the entire interagency—are on top of this fight. We know from classic warfare that if your enemy is reacting to you, you are being effective, and we are pressing the initiative. On Friday, April 28th, we take a next step by deploying the first U.S. Navy air crew qualified to employ airborne use of force for the counter drug mission.

Panama Express and the rest of the intelligence community are essential to our success. We must continue to support them and help them develop new sources in countries other than Colombia. Otherwise, as drug-trafficking organizations move away from the

Colombian vessels, the intelligence gained on the ground from interdictions will decrease.

The United States needs to, and we are, aggressively engaging the governments of Ecuador and Mexico to foster the same level of cooperative relationships we are currently enjoying with Colombia and other partner nations throughout the transit zone.

Finally, we need to replace the aging surface and air fleets that we are pushing harder, further, and longer each year. Congress responded magnificently last year to the President's Deepwater funding request, and I thank you for that. The answer continues to be Coast Guard's Deepwater program, which would deliver more capable aircraft, cutters, and sensors to supporting the counter drug mission in the future.

In closing, sir, our counter drug interdiction success is the direct result of the coordinated team effort. However, as we peek over the horizon, the counter drug battlefield once again is changing. We must be agile, respond quickly to develop actionable intelligence, and have capable assets and international partnerships. We appreciate your extraordinary support over the years, and I ask you to continue to help drive interagency efforts and the Coast Guard's integrated Deepwater program to ensure we are ready for the fight.

Thank you for the opportunity to testify today, and I look forward to questions.

[The prepared statement of Admiral Justice follows:]

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United States
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DEPARTMENT OF HOMELAND SECURITY

U. S. COAST GUARD

STATEMENT OF

REAR ADMIRAL WAYNE JUSTICE

ON

**TRANSIT ZONE OPERATIONS: CAN WE SUSTAIN RECORD SEIZURES
WITH DECLINING RESOURCES?**

BEFORE THE

**GOVERNMENT REFORM SUBCOMMITTEE ON
CRIMINAL JUSTICE, DRUG POLICY & HUMAN RESOURCES**

U.S. HOUSE OF REPRESENTATIVES

APRIL 26, 2006

Good afternoon Mr. Chairman and distinguished members of the Committee. It is a pleasure to speak to you today about the Coast Guard's part of our nation's drug interdiction operations.

This Committee has asked if we can sustain record seizures of cocaine in the transit zone with declining resources. In the context of declining resources alone, it would certainly be a challenge, if not impossible, to sustain our current cocaine seizure levels. Fortunately, however, there is a plan to recapitalize our assets – the Integrated Deepwater System – and there are other important factors that contribute to drug interdiction success. Before I tell you about the challenges I see in sustaining record breaking seizures of cocaine in the transit zone, let me first tell you why we have been so successful these past three years.

Behind the Success

The Coast Guard, and our interagency partners, have enjoyed tremendous interdiction successes over the past several years in the transit zone. We removed nearly 294,000 pounds, or 133-metric tons, of cocaine from the transit zone in fiscal year 2004, and over 338,000 pounds, or 153-metric tons, of cocaine in fiscal year 2005. In comparison, from 1993 to 2003, the interagency seized an average of 109,474 pounds, or about 50-metric tons, per year. To put it more powerfully, last year alone, we removed more cocaine than we cumulatively seized in all of the years from 1994 to 1998.

The Coast Guard attributes these successes to three primary factors:

First, we have developed the ability to use far more real-time, actionable, tactical intelligence. In the past, we patrolled and responded to general smuggling trends in the transit zone. As an example, we would shift our target vessel focus from high speed boats or “go fasts” in the Caribbean to larger longer range fishing boats in the Eastern Pacific. Rarely, however, could we narrow the area, and hardly ever did we know the optimal location to place response units. That has changed. We now benefit from the unprecedented success of the joint Department of Homeland Security and Department of Justice investigative task force, Panama Express (PANEX), which feeds a vast amount of actionable, drug-related intelligence to Joint Interagency Task Force (JIATF) South in Key West, FL. This intelligence is used to cue our Coast Guard interdiction assets and when used in conjunction with Maritime Patrol Aircraft (MPA) and surface assets, provides increased opportunities for seizures. PANEX has been so effective that JIATF South has reported it has actionable information on more suspect vessels than we, the Coast Guard, and our partners in the interagency have the capability to intercept.

Second, we have fielded more capable assets for detection and monitoring and interdiction and apprehension. In 1998, the Coast Guard estimated that it was stopping less than ten percent of the drugs entering the United States via non-commercial maritime means. Spurred by these estimates, a plan was developed to counter the go-fast threat, which at the time was nearly impossible to stop with the assets we had in place. These small, agile, 45-plus knot vessels, carrying upwards of two tons of cocaine, could not be stopped at sea by U.S. interdiction assets. Our counter was the employment of a new airborne use of force tactic, and the development of the Helicopter Tactical Interdiction

Squadron (HITRON) to employ it. Since 2002, HITRON helicopters have directly contributed to over 100 go-fast interdictions and the seizure of 142-metric tons of cocaine. We have also seen greater success when JIATF-South uses more capable MPA platforms than the Coast Guard can provide, such as the NIMROD Maritime Patrol Aircraft flown by the Royal Air Force. In addition, the C4ISR improvements to our surface fleet through the Coast Guard's Deepwater acquisition program have also contributed to our operational capabilities. Our ability to better communicate in real-time with our Department of Defense (DOD) partners at JIATF-South, and the assets operating on the water and in the air, has streamlined command and control operations, resulting in more efficient case prosecution, expedited logistics and wider ranging intelligence sharing.

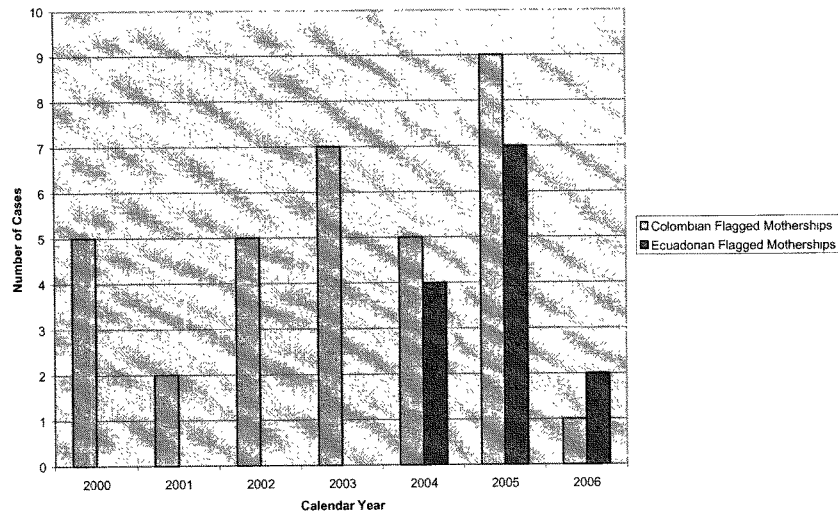
Finally, we have been extremely successful in developing cooperative agreements with our allies and drug interdiction partner nations to help us combat smuggling in the transit zone. Since 1981, the Coast Guard, in cooperation with the Department of Justice and the Department of State has embarked on an international engagement program to negotiate a series of 26 bilateral agreements with our drug interdiction partner nations in and around the transit zone. Our ability to work with our partner nations at the operational level, in real-time or near real-time, removes many of the authority questions and jurisdictional issues that drug trafficking organizations had previously been able to use to their advantage. Specifically, since February 16, 2000, the USG has boarded/detained/interdicted 126 vessels, 705 persons, 494,740 lbs of cocaine and 5,840 lbs of marijuana under the provisions of the U.S.-Colombian maritime counterdrug bilateral agreement. The value of these agreements is seen every day in our ability to gain jurisdiction over these criminals, leading to longer sentences of those convicted of trafficking, and our ability to gain access to information about the trafficking organizations which we otherwise would not have.

Changing Tactics – A Reaction to Our Success

Attempting to remain agile, we continue to develop better capabilities and tactics, but our Drug Trafficking Organization (DTO) adversaries have reacted to our successes. As we saw in the early 1990s, DTOs shifted from using large transport ships to small high speed "go fast" boats. We are now observing another shift from DTOs using Colombian flagged fishing vessels as motherships to Ecuadorian flagged fishing vessels as motherships for cocaine shipments. The DTOs continue to find unusual and innovative ways of defeating our interdiction effort; such as sophisticated at-sea refueling networks, towed submersibles, routes much farther offshore, and significantly increased air activity between source and transit zone countries.

To illustrate my point, the chart below shows the increased use of Ecuadorian motherships, a result of the very successful cooperative shipboarding agreement between the United States and Colombia. Prior to fiscal year 2004, no Ecuadorian flagged fishing vessels were seized with drug loads. In fiscal year 2006, the number of Ecuadorian flagged fishing vessels seized for smuggling exceeded Colombian flagged fishing vessels.

COAST GUARD MOTHERSHIP SEIZURE CASES BY FLAG (CY 2000-2006)

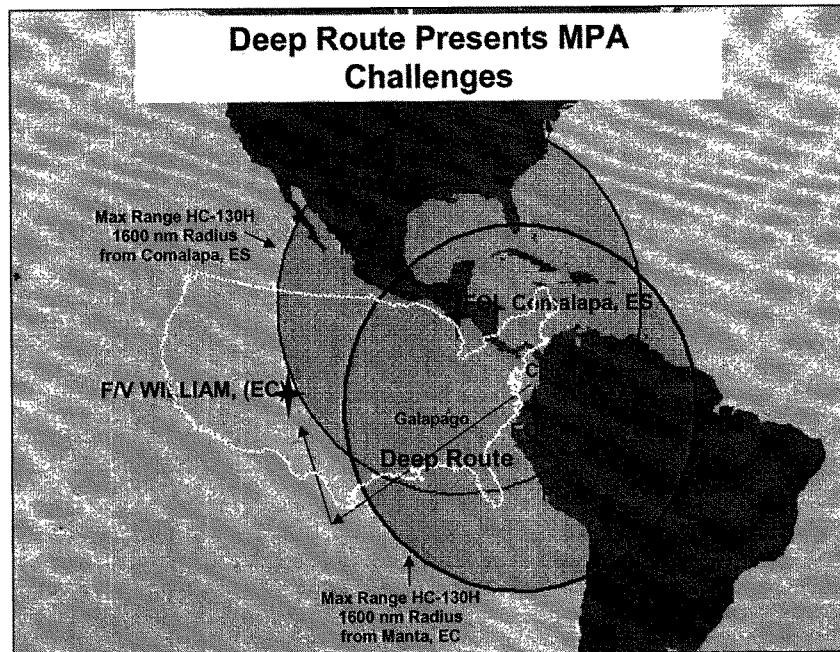


Challenges To Future Success

Asset Availability. With or without actionable intelligence, the primary means of detecting and monitoring drug smuggling in the transit zone is long-range Maritime Patrol Aircraft (MPA). As Rear Admiral Hathaway, Director of JIATF-South, testified before this Committee in June of last year, we detect less than three out of every 10 known go-fast events. Of those we do detect, we successfully interdict almost 75 percent. We are very good at stopping these go-fasts when we detect them and surface assets are able to respond. While the good news is that we finally have more actionable intelligence to which to respond; the bad news is that despite our best efforts current resources cannot provide enough MPA and surface assets to respond to all of the actionable intelligence cueing. For example in fiscal year 2005, the Coast Guard Pacific Area lost 234 days of major cutter time due to mechanical failures. In this current fiscal year, it has lost 333 days so far. Similarly in fiscal year 2005, the Coast Guard Atlantic Area lost 300 days of major cutter time due to mechanical failures. Just to add some perspective to these numbers, one major cutter equates to 180 days per year.

As I previously mentioned, DTOs are shifting their tactics in response to our interdiction efforts. These new smuggling methods stretch the capability of our surface assets to patrol an ever expanding transit zone. The use of new "Deep Routes" involves fishing vessels with multi-ton loads of cocaine transiting further south and west of the Galapagos Islands in an attempt to avoid law enforcement assets. Recently the Ecuadorian flagged *F/V WILLIAM*, after being detected by MPA nearly 1,800 nautical miles west of the Galapagos Islands, was interdicted with more than 10,000 pounds of cocaine by a Coast Guard Law Enforcement Detachment on the USS GETTYSBURG. Without adequate

MPA, it is impossible to detect these vessels. The chart below depicts the challenges presented by the vast ocean the DTOs are now exploiting.



Note: Chart depicts the Deep Route southwest from the Pacific Coast of Colombia over 1800 nautical miles southwest of the Galapagos Islands, EC.

Both Customs and Border Protection (CBP) and the U.S. Navy have experienced structural deficiencies with their P-3 fleets, reducing the amount of available MPA resource hours. Additionally, Coast Guard C-130s are undergoing wingbox inspections and repairs while some of our international partners have other competing priorities limiting their asset contribution. Further exacerbating the problem are maintenance problems with the rapidly deteriorating and aging Coast Guard surface fleet. We are addressing the problems with both our interagency and international partners, but the bottom line remains – we need full funding for the Deepwater acquisition program which will provide more MPA and recapitalized cutters.

Growing Capacity, Capabilities & Partnerships. As the constant “thrust and parry” between interdiction assets and DTOs continues, we need to be able to adjust to new tactics, routes and attempts to avoid prosecution on the part of smugglers. Likewise, we need to continue improving our own tactics and capabilities. One example is the expansion of our airborne use of force program with the U.S. Navy. As I mentioned earlier, airborne use of force exercised by HITRON has been an overwhelming success. This week, on April 28th, we will continue to grow the program by deploying the first U.S. Navy aircrew qualified to employ airborne use of force for the counterdrug mission. The

use of Navy assets for airborne use of force will be a valuable force multiplier to Coast Guard Operational Commanders for stopping go-fasts in the transit zone.

We must also fully support PANEX in order to provide the assets necessary to develop new sources in countries other than Colombia. As DTOs move away from the use of Colombian vessels for moving drugs, intelligence gained from interdictions will likely decrease.

The U.S. needs to aggressively engage the governments of Ecuador and Mexico to foster the same level of cooperative relationships we currently enjoy with other partner nations throughout the transit zone. Mexico remains the primary staging destination for drugs moving from South and Central America bound for the U.S. Establishing a cooperative bilateral agreement, or at least agreed upon operating principles, with Mexico is paramount to stopping illegal drugs from arriving in the U.S. In July 2004, the U.S. presented the Government of Mexico with a Statement of Interdiction Principles (SIP) in an attempt to align expectations regarding the treatment of stateless or apparently stateless vessels engaged in trafficking. The document has yet to be signed by the Government of Mexico.

The U.S. enjoys a very successful bilateral agreement with Colombia, which serves as a model for international cooperation. Colombia has authorized the U.S. to exercise jurisdiction over their nationals and vessels, regularly engages in joint ship-rider exchange programs, and provides Colombian Navy and Coast Guard assets to work alongside U.S. assets – all of which leads to increased seizures, intelligence, and deterrence to DTOs from using Colombian vessels for smuggling. We should continue to support the Colombian Navy and Coast Guard as much as possible in order to maintain this productive partnership.

Finally, we need to replace the aging surface and air fleets that we are pushing harder, further, and longer each year. JIATF South needs more MPA for long-range detection, and the Coast Guard needs more capable surface and air end-game assets to interdict the smugglers we detect. As mentioned previously, the answer is the Coast Guard's Integrated Deepwater Program – our long term acquisition project that will deliver more capable cutters, aircraft, and sensors to support JIATF South and meet the need for a robust endgame capability throughout the transit zone.

Closing

Our drug interdiction successes are the result of a coordinated team effort, and the Coast Guard appreciates your support over the years. However, as we peek over the horizon, the counterdrug battlefield is once again changing. We must respond quickly using actionable intelligence, capable assets and international partnerships. I ask you to support our interagency efforts and the Coast Guard's Deepwater program to ensure we are ready for the fight.

Thank you for the opportunity to testify before you today. I will be happy to answer any questions you may have.

Mr. SOUDER. Thank you.

We are honored today as well to have Rear Admiral Alvaro Echandia, who is Chief of Naval Intelligence for the Colombian Navy. Welcome to Washington, DC, and thank you for testifying today.

STATEMENT OF ALVARO ECHANDIA

Admiral ECHANDIA. Thank you very much, Mr. Chairman.

The Colombian Navy has a very big commitment in the drug war, and I would like to start by giving a thank you very much for the United States and all colleagues at this table.

The Navy has almost all budget of the year dedicated to the drug war. This year we have seized almost 12 tons of cocaine. That cocaine costs in the United States exactly the same amount of the budget of the Colombian Navy for 1 year. Last year, it was almost 100 tons of cocaine. I am responsible for the intel, not only for the Navy part, but the Marine Corps and the Coast Guard, because the Colombian Navy is just one organization.

We have seen how narcoterrorists move very easily. As Admiral Wayne says, they react very fast. They can send the drugs from the Caribbean or from the Pacific. It is very easy to change because the organizations who make the transportation of the drugs, they are just illegal UPS. They send drugs from one coast or another. So the narcoterrorists just take the phone and call one or two organizations to send the drugs. That makes it very hard for us because we have to do a lot of coordination, especially with JIATF South, who is the best partner in this war. It is not easy for us to coordinate to send the assets, the planes, the ships. We use everything, all assets we have possible.

We use the submarines to detect the go-fast, the noise of the propellers. We use old Coast Guard planes—we have only two planes—and it is very difficult, because a go-fast has a very small radar reflection, so it is very hard to detect at sea. We have studies that for a ship at sea, the probability of detection for a go-fast is only 5 percent. If the ship has a helicopter embark it, the probability rises to 20 percent, but it is still too low, because 80 percent of the drugs can come through.

So we need airplanes. Airplanes are the solution to detect the go-fasts in the transit zone, and MPA, but only an MPA with the right equipment on board, because most of the events are during the night hours, so it is very hard to detect a go-fast at sea. They use all methods of camouflage. They put blue canvas on the top of the go-fast. They put wet blankets in order to mask the hit of the engines, so it is very hard. But an airplane with very good equipment, a FLIR system, a synthetic aperture radar, communications, and electronics can detect those go-fasts.

We think that by using DC-3s with the right equipment on board we can rise from 20 percent to 70 percent. They pay a very low amount of money to get the drugs in Colombia, and they get \$25 million for each ton that reaches the United States. That makes this work very, very difficult. That is why FARC understands that it is a very good business.

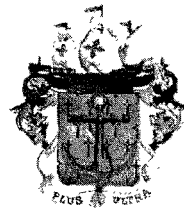
We do not want to export drugs and we do not want the dollars from the narco traffic, because that hits our world.

Thank you very much for the opportunity to testify here, sir.

[The prepared statement of Admiral Echandia follows:]

Presented by the Colombian Navy to the U S House Criminal Justice, Drug Policy and Human Resources Subcommittee of the United States Congress

REPUBLIC OF COLOMBIA
COLOMBIAN NAVY



**“TRANSIT ZONE OPERATIONS: CAN WE SUSTAIN RECORD
SEIZURES WITH DECLINING RESOURCES”**

**Document presented to the House on Criminal Justice, Drug
Policy and Human Resources Subcommittee of the United States
Congress**

REAR-ADMIRAL ALVARO ECHANDIA
CHIEF OF NAVAL INTELLIGENCE (N2)
COLOMBIAN NAVY

April 26, 2006

Presented by the Colombian Navy to the U.S. House Criminal Justice, Drug Policy and Human Resources Subcommittee of the United States Congress

REAR-ADMIRAL ALVARO ECHANDIA
CHIEF OF NAVAL INTELLIGENCE (N2), COLOMBIAN NAVY

APRIL 26, 2006

PRESENTED BY THE COLOMBIAN NAVY TO THE U.S. HOUSE CRIMINAL JUSTICE, DRUG
POLICY AND HUMAN RESOURCES SUBCOMMITTEE OF THE UNITED STATES CONGRESS
STATES OF AMERICA

SUMMARY:

It costs terrorists and narcotics traffickers alike much more to suffer maritime interdictions; while seaborne platforms have effectively been used to jointly attack maritime narcotics traffickers, we can increase the financial damage inflicted by providing the Colombian navy with a fully equipped maritime patrol aircraft (MPA, DC-3). The financial damage caused by maritime interdiction, the cost effectiveness of an MPA, the increased volume of narcotics production, the seaborne routes using both coasts of Colombia, and the recognized nexus between narcotics traffickers and terrorists militates for the immediate use of MPA support. The cost per flight hour from the Colombian shore, versus the cost of air patrols from the U.S. and patrol vessels from the U.S. makes clear that the use of a DC-3 is cost effective however it must be equipped with the requisite equipment.

The strategy of cooperation between the Colombian navy and the United States maritime forces is expressed in the bilateral maritime agreement signed in 1997¹. The interdiction successes achieved under this agreement were the most successful ever obtained in joint (U.S. – Colombia) operations against drug trafficking in the recent history of the global fight against narcotics. The operational results of 2005 were an impressive 97.3 tons of cocaine seized²; however a reduction of assets in 2006 can be seen by a decrease in operational effectiveness, with only 11.7 tons of cocaine seized in the year's first quarter³. We currently have more intelligence gathering capabilities, than operational assets.

MARITIME LOSS COSTS TRAFFICKERS MORE

The cost of the cocaine seized to narcotics traffickers this year-to-date is approximately 292.5 million U.S. dollars. Correspondingly, the loss that the drug traffickers suffer by the seizure of an equivalent quantity of cocaine in laboratories and land-based transportation zones corresponds approximately to only 6% of the loss that they incur by our seizures at sea⁴.

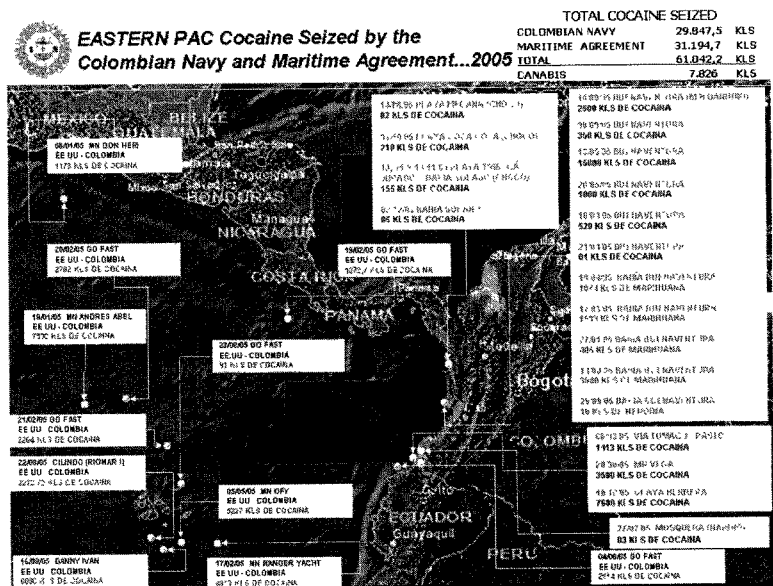
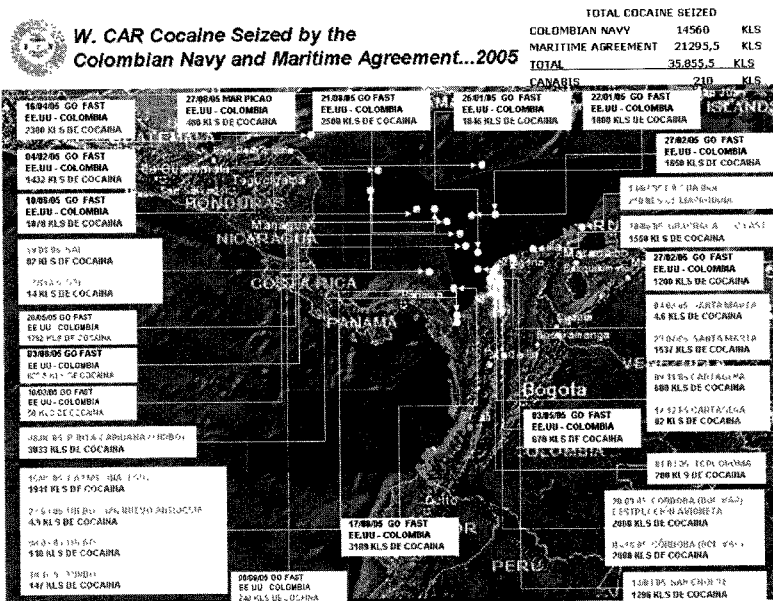
¹ Bilateral Maritime Agreement among the Government of Republic of Colombia and the Government of the United States of America to suppress illicit traffic by sea.

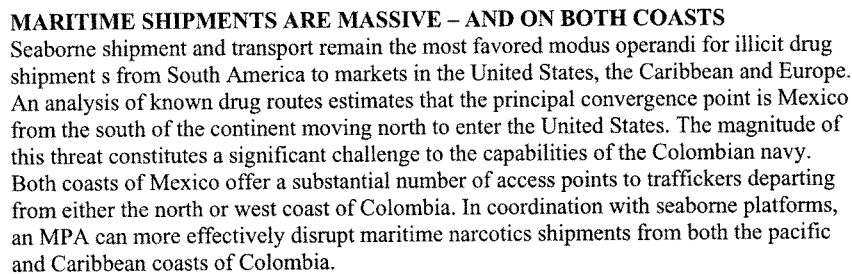
² Source: Naval Operations Department, Colombian Navy.

³ Ibid. 2 facts from 2006

⁴ Source of value: facts from "An Analytic Assessment of US drug Policy" by Boyum and Reuter – 2005/ and analysis of DDIN – Col.Navy. The source estimates the price of cocaine in transit between USD\$15.000 and USD\$25.000 depending on the route taken.

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The magnitude of this threat constitutes a significant challenge to the capabilities of the Colombian navy, as they are faced with a dual challenge, not only are they fighting narcotics traffickers and their related criminal organizations, they are also combating the revolutionary armed forces of Colombia (FARC), identified as a terrorist organization by

the department of state⁵. Unfortunately, both the FARC and narcotics traffickers live in symbiosis feeding off of the money, blood, and fear that each generates; their unholy alliance serves to form the worst of all the world's narcotics traffickers. Therefore the Colombian navy has concentrated a substantial part of its operational, logistics, intelligence capabilities and budget in the detection and maritime interdiction of this threat on the Colombian seas⁶. If the Colombian navy can regain dominance and control of its territorial waters, our national security and that of the region will immediately improve. We must redouble international cooperation to attack narcoterrorism.

It is estimated that 70% of the global market demand for cocaine is supplied by Colombia⁷ through the use of identified maritime corridors such as those using Mexico, Central America and the Caribbean. Nevertheless, these flows are very dynamic, hard to interdict and are determined by the behavior of different variables.

The "Mexico – Central America" transportation route is primarily used for illicit trafficking destined for the U.S.; DEA statistics from the first semester of 2005, show that 75% of the world's cocaine originates in South America⁸. This maritime transportation route is divided into two major sea routes. The first is the western Caribbean where the traffic volume is estimated to be about 30% of all traffic towards the U.S. - primarily originating along the Caribbean coast of Colombia. The other corridor is the Mexico-central American corridor which uses the Colombian eastern pacific and the coastlines of Ecuador and Peru. Both corridors lead to Mexico, moving 70% of the total volume of cocaine sent to the United States.

The second maritime corridor uses the coastal areas of Panama, Colombia, Venezuela and the Guyana's, using several intermediate destinations to transfer or consolidate the drugs for final shipment – some to the United States.

In 2006, given dwindling counternarcotics (CN) resources, in both countries it is essential that we support the most effective high impact programs targeting narcoterrorists. We have shown that seaborne interdiction costs to traffickers and terrorists alike are greater. That cost, plus the known corridors and modus operandi using sea borne transportation and shipping routes makes clear that high seas interdictions are cost effective and do greater financial damage.

In 2006, we face trends that are a greater challenge to combat and with a limited budget:

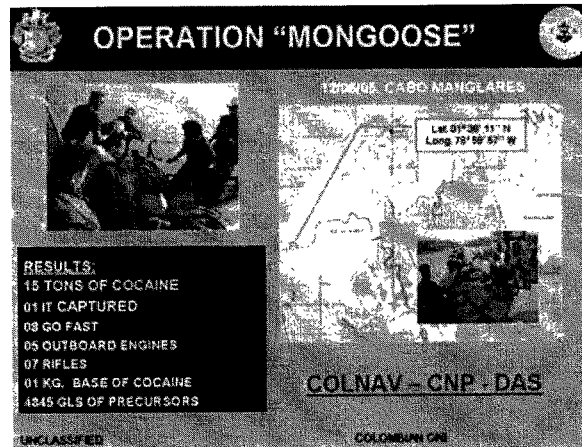
⁵ Government Reform Subcommittee on Criminal Justice , Drug Policy and Human Resources drug control budget briefing with Department of Defense Office of the Deputy Assistant Secretary of Counter narcotics, Nov. 10, 2005; Dept of State, Designated Foreign Terrorist Organizations, 2004, at <http://www.state.gov/documents/organization/45323.pdf> (last visited Feb. 24, 2006).

⁶ Closing the gap, The Naval Strategy a cornerstone the fight against narcoterrorism, ISSN 1692-1097, 2003

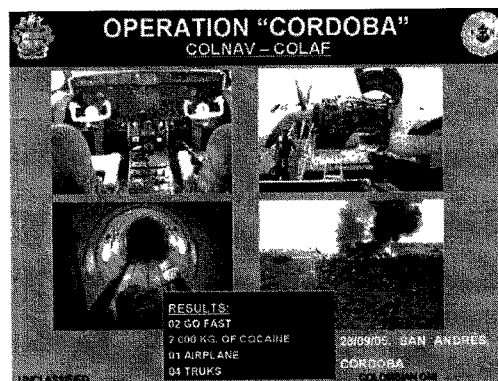
⁷ US National Drug Control Strategy 2004.

⁸ Interagency Assessment of Cocaine Movement – (IACM), Document produced by 12 US Government agencies, enclosed South Command and JIAT-S, 2003 – Update by JINA Col. Navy Dec. 2005.

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With the break up of the major centralized narcotics trafficking organizations, the smaller splinter units have become specialized and sell their services to the highest bidder. Narcotics traffickers, now narcoterrorists, contact narcotics transporters - groups that specialize only in the transportation and logistics necessary for the shipment of drugs. The transportation groups can afford to be more meticulous in planning their operations, they must be as they also act as a guarantor for the shipments from one point to another. In turn the shippers focus their resources on better and more secure methods to transship their client's drugs, money, explosives, and weapons. Their international connections and contacts provide semi-submersible vessels, small cargo vessels, (04) engine "go-fast" boats, vessels with classic hidden compartments or vessels trailing submerged torpedo-like units filled with cocaine. Shippers have the luxury of flexibility to change routes and methods of transportation at any time within the maritime narcotics trafficking event. The 25.6 tons of cocaine seized in 2005 were seized from fishing vessels (F/V's), in comparison the 11.7 tons of cocaine seized this trimester, all issued from go-fast boat events.



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In 2006, narcotics traffickers/ narcoterrorists continued to adapt to law enforcement operations. They have focused on the porous borders between South American countries to transship their loads via coastal and land routes, for final shipment off the Pacific or Caribbean coasts. From the Pacific coasts these routes swing south of the Galapagos Islands then northward to Central America. On the Atlantic coast, shippers have adapted and are using the Caribbean coast with onward shipment to Central America, the Caribbean and the United States.

The magnitude of the narcoterrorist threat constitutes a significant challenge to the capabilities of the Colombian navy. For this reason the Colombian navy has concentrated a substantial part of its operational, logistics, intelligence capabilities and budget in the detection and interdiction of the maritime drug threat. If Colombia can reach dominance and control of its seas, our national security and that of the region will immediately improve. All international agencies need to redouble their efforts against narcoterrorism.

The geographical breadth of claimed Colombian maritime jurisdiction is roughly equal on both its north and west coasts. As such, the size of the maritime area causes, most if not all, intermediate contact points, go-fast boat refueling points, load consolidation and/or transfer points for an estimated 60% of the maritime traffic takes place in Colombian waters¹⁰.

The use of Colombian naval assets is a more financially effective use of interdiction resources in the execution of the CN strategy. Simply put it costs less for Colombian assets to take action; U.S. assets costs are greater given the distance which these assets must operate from their homeports and bases and, because of the periods of time they're deployed away from these bases.

The goal of the naval component (naval forces and naval air assets) is to deny narcotics traffickers and/or narcoterrorists the access and usage of Colombian waters.

⁹ Submersible seized by Col. Navy March 9, 2006 Southward Buenaventura, Pacific Coast.

¹⁰ Colombian ONI Annual Report 2005

Maritime interdiction events basically evolve in three phases; intelligence, detection and interdiction or seizure. This approach works for both coastal areas and on the high seas. In the interdiction end game, detection near the coast is the most effective. However, this requires maritime patrol air assets, and overseas patrol vessels (OPV), Colombian coastal patrol vessels, submarines and surface surveillance radars located at coast guard stations.

Today, the coverage of radars in coastguard stations in Colombia is 58% (7 coast guard stations)¹¹. Detection and interdiction on the high seas, based upon land-based radar vector can only be effective when using an MPA.

At the moment, the Colombian navy does not possess the necessary asset base to increase our detection capability. Further, our capability to take the detection of a potential narcotics target to the seizure point of an interdiction scenario is limited by lack of sufficient assets, as noted above. The necessary combination of assets - radar, MPA, helicopters and interceptors is our greatest weakness interdicting drug trafficking on the high seas.

While we often have assets from the United States and occasionally from other nations participating in interdiction operations supporting Colombia, they do not possess the adequate quantity of assets to permanent operations to a point where we are interdicting more northbound loads regularly.

The maritime agreement with the United States has been the basis for the development of an exceptionally complementary employment of assets, available from both the Colombian navy and the U.S. Coastguard, not only for the seizure of the drug, but for the arrest and prosecution of criminals. However, it is essential to increase the Colombian asset base and operational capability, as this type of investment will provide greater returns on a dollar-for-dollar basis. Simple math makes clear that increasing operations from Colombian bases on Colombian shores is certainly less expensive than operating U.S. Navy and U.S. Coastguard vessels and aircraft for extended periods of time away from their U.S. homeports.

Let there be no doubt as to our strong interest and willing support to continue the close operating relationships with our U.S. counterparts. However, increasing our tactical capabilities will only reinforce the exceptional bonds which already exist between our maritime services. Investment in Colombian navy capabilities to increase and sustain interdiction operations at sea, combined with our successful eradication and inland seizure efforts by other Colombian national forces will eliminate both, main source of funding for the forces of terrorism in Colombia and Crime and Drugs in US Streets.

We must combine all naval forces (U.S. and Colombian navy, Colombian coastguard, JIATF-SOUTH, and Colombian Marines) in a manner that provides for real time reaction to intelligence information concerning maritime trafficking events. For assets to be effective they must be equipped with up to date and correct equipment to effectively detect, monitor, and support the interdiction of fishing vessels (F/V's), submersibles and go-fast

¹¹ Estimate coverage does not corresponds to the total coastal area, ut strategic interest points as ports.

boats. A fully equipped MPA, acting in coordination with other maritime assets would help fill a large interdiction gap.

NEED FOR FULLY EQUIPPED MPA

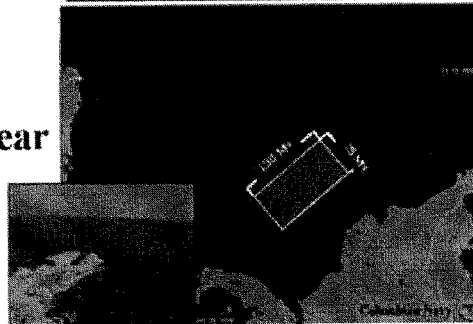
Go-fast boats have been detected as far as 1,200 nautical miles off the eastern pacific coast. This is a huge area within which to detect a tiny go-fast boat. The typical search area for a go-fast is about 150 by 70 nautical miles. The probability of detection within this search area for a single ship with good sensors is approximately 5%. The detection probability for a ship in coordination with a helicopter rises to 20%, but only serves to show that 80% of all events will escape. However, the detection probability rises to 70% with the combination of the search ship and helicopter, working in unison with an MPA. An MPA has the capacity to provide a low cost and efficient method of maritime interdiction.

"GO FAST" DETECTION: THE MOST CRITICAL PROBLEM

Detection Difficulty

- Small size
- Reduced RCS
- High Speed
- Camouflage
- Amount (330 per year approx.)
- Diversity of routes

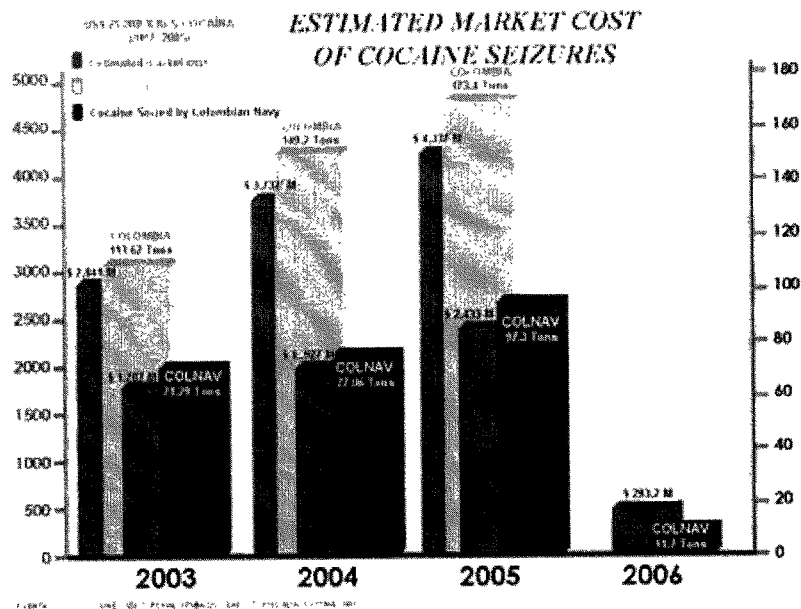
DETECTION PROBABILITY IN A 150 X 75 MN SEARCH AREA:	
- SHIP:	5 %
- SHIP + HELO:	20%
- SHIP + HELO + MPA:	70%



The detection of go-fast boats is extremely difficult on the open sea due to its small size, the reduction of radar cross sections, its high speed, rapid change of course, diversity of routes, and the different methods of camouflage. Most go-fast events transpire during the hours of darkness, visual confirmation of a small moving target, or target under camouflage is almost impossible, therefore the following equipment is critical:

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- One plane (DC-3) can fly for 8-10 hours, at 200 knots, carrying advanced detection equipment, and in coordination with other assets, for a cost of approximately \$450 USD per hour.
- Forward Looking Infrared - FLIR system to detect not only go-fast boats but also semi-submersible vessels that can not be detected by radar, but will show a surface heat signature.
- Inverse/ Synthetic Aperture Radar – SAR/ISAR system used to detect small targets at sea.
- Communications Intercept Package: COMINT this system will permit the intercept of communications (VHF/UHF/HF) between the go-fast boat and refueling F/V's; it will also serve to intercept shore-to-ship communications.
- Electronic Intelligence ELINT: package that permits the detection and identification of an F/V's radar signature and allows pursuit from a significant standoff distance.
- Standard communications equipment DATALINK to support secure data transceiver links via secure radio equipment.



Thank you for giving me the opportunity to testify on such an important matter of national security that affects both our countries.

Mr. SOUDER. Thank you very much, and let me first say that in all of our world's struggles, how much we appreciate the Colombian Government, from President Uribe to the Department of Defense, Navy, the CMP, and the entire Colombian operation, to actually request additional assistance, to request cooperation with the United States, to request and cooperate, because we have so little of that sometimes in other parts of the world, and sometimes when we actually do cooperate, it is much harder to train and it has been a much more erratic success rate. What I have seen in my years as chairman of this committee and participation in this committee, as I have watched the Colombian Navy get more and more effective, and we need to help you become more effective.

The CMP are a strong force, but we stood up the antinarcotics units inside the military. Now we need to realize that a lot of this is on the water too, and appreciate you coming today and being included in this so we get that into our record that it isn't just a matter of what we are doing in the jungle to get the labs, that it isn't just a matter of transiting to the border.

But also, I know up at Santa Marta, I went a few years ago with Chairman Davis out in one of your new go-fast boats, where they got a load—I think it was a million load—that they tried to run while a congressional delegation was there, and they didn't realize you had two boats. [Laughter.]

That the more ability you have to respond, because we know the decoy business, when you don't have much assets, if they send one, you can chase the wrong one. Unless you have the right intelligence, you don't get the big one, you get the little fish. It is a standard thing. I appreciate your cooperation.

There are a number of things. I have met with most of you multiple times, and very much appreciate, if you can communicate this, not only your efforts in antinarcotics, but also those in each of your agencies because whatever criticism and discussions we have at the margin, day-to-day, everybody is out there doing whatever they can to try to get illegal narcotics, and we can never give enough thank yous. Just like our armed forces in the field, you have another division of our armed forces in the drug field, and we much appreciate that.

I wanted to just make sure I get a couple things, one thing in particular, on the record with General Kostelnik. I appreciated our discussion last night, but one thing we talked about, that I remain frustrated. I understand some of the difficulties and I am not immediately expecting some formal answers to normal processes through the letters that—I have been frustrated—I haven't gotten the answers to, but we may submit additional written questions here, and I would appreciate to the degree possible, some responses there.

But I wanted to put on the record that we had been asking about what the status of AMOC was in Riverside, and my understanding is that you intend to keep AMOC, and you see advancing that. Is that your intention?

General KOSTELNIK. Yes, sir, Mr. Chairman. As I mentioned to you yesterday, actually, that was one of the first facilities in the Air Marine organization that I actually went out to the field to look at firsthand, because I had heard a lot about the capability. And

I can tell you, since I know you have been there, that is a bright spot in the Government. We have very unique capabilities there. They provide the backbone for our command and control for a lot of our activity across the United States, and in supporting JIATF South as well. Not only is it going to stay as a part of our organization. You know we're committed to growing that over time, bringing other partnerships in and expanding our capabilities. So, yes, sir, you can count on that being there.

Mr. SOUDER. I also appreciated that you systematically laid out—and I think you see a lot of your job as to try to make sure that you keep your Air and Marine operations up and running, and laid out some of your intentions for the P-13s and how to get the fleet up. Your intention is not to cut it back, but to make it flyable and get the additional hours up, and that for the record, if you run into problems or need additional dollars from Congress, you said that you would be direct in telling us in Congress that you need those additional funds to keep those P-3 hours up.

General KOSTELNIK. Yes, sir. We're very committed on the P-3 fleet, and, obviously, the example of the grounding gave us rare insight into the internal conditions of the wing, and these aircraft, on average, have about 37,000 flying hours, and it's clear they need some attention.

In fiscal year 2006, we have \$16 million, part of which we're using to deal with the fixes, half of which are complete, the other half will be complete by the end of the summer. The remainder of those funds we intend to develop in partnership with the OEM, Lockheed Martin, and our current support contractor, L-3 Comm Vertex, a prototype program for service life extension. I hope to have that prototype program designed and under way by the end of the summer. That will then set the requirements definition for the true funding requirements for a long-term SLEP program.

Mr. SOUDER. I am going to read a statement, and then I would like each of you to say and express if you have any disagreement or comment on the question, and this is something we have been persistent at in Congress, and I am very frustrated.

It appears in the Eastern Pacific that the drug runners are moving further out to sea, possibly outside the Galapagos. This presents a huge challenge to every single agency. It presents—there isn't one of you that isn't—JIATF may not have as much because it goes into another JIATF zone, but you are dealing with certainly some of that as you are watching it at even JIATF. That as we watch coming off the Pacific side, the western side of Colombia, it is clear that we need an oiler out there, because as they move farther, our ships have to come back into harbor if they can't reach them. And they know this, and they are figuring it out more and more regularly. That it would potentially increase 25 percent of the on-station time for our ships if we had an oiler, which would equate, the estimates are, a 22 percent increase in seizures just with that extra time. Because I have seen all your charts, and when you count time there, in fact, you have a subzone that says time to the zone and time back from the zone. The question is, how much time do we have in the zone? And to the degree we have an oiler, we have a huge expansion of the time in zone.

Here is my two-part question: Do you agree that an oiler would benefit the drug interdiction operations, and would operational security improve if an oiler ship were there for those operations and required fewer runs to port for fuel? We will start with Mr. O'Gara and move through.

Mr. O'GARA. Mr. Chairman, thank you. I think the answer to the first part is clearly yes, and I am also happy to say that we are moving toward having some positive news to report to you, as Admiral Hathaway can explain in much greater detail, the naval element of SOUTHCOMM. NAVSOUTH has been working with a third country toward achieving an oiler capability at some point. We are not there yet, but we are moving in the right direction.

With regard to operational security, I'm not able to really comment on that.

Mr. SOUDER. Is that a year-round oiler?

Mr. O'GARA. Potentially, yes.

Mr. SOUDER. Because our concern is not for quick fixes. Our concern is to have an oiler that we have resources, not temporary agreements. I mean, a quick fix is better than no fix, but if it is a short-term fix, that isn't calm down, and to the degree there are third countries, we want to partner with third countries, but something as basic as this, I don't understand why we can't address it.

Mr. O'GARA. We take your point. Thank you.

Mr. SOUDER. Admiral Hathaway?

Admiral HATHAWAY. Sir, from a JIATF South perspective, the area that we're talking about falls totally within my joint operating areas, 42 million square miles, and the simple answer to the oiler question is, yes. It would certainly produce advantageous results we think. To put it into a tonnage perspective, my professional perspective is it's probably good for about 30 additional seized or disrupted tons of cocaine a year.

The good news is that traffickers are being forced into these areas farther and farther offshore, and they are exposing themselves more because their logistics are as stretched as ours. That's the good news.

The fact of the matter is that right now the top of the line Coast Guard cutter and the Navy ships we have can go for about 12 days between refuelings. That means when we are that far offshore in the Eastern Pacific, it's about 4 days to get the ship out there to respond to intelligence, 4 days to get it back, which leaves you about 4 days of on-station time, effective time. Right now, very often, those smuggling ventures do not expose themselves to us intelligence-wise until they're that far offshore.

Some of the change in trafficker patterns that Rear Admiral Justice alluded to is that traffickers, especially in the Eastern Pacific, and to use a football analogy, are flooding the zone, in this case the transit zone, with false positives, false decoy vessels, security vessels, logistic support vessels, and they're playing a shell game of who has the drugs, and challenging us to sort them out where we can have a more robust presence, realizing that if they can get far enough offshore that we have only a moment in time to be able to get them. Unfortunately, sometimes we don't see those drugs. We don't see the right, not under the shell, until it's some 2,500 miles west of the west coast of South America.

An oiler would give us that persistent presence out there that we need, and again, I would say it's probably good for a significant additional tonnage of cocaine every year.

We are partnering with the country of Chile right now. Whether that is a permanent solution remains to be seen. What we're hoping is that within the next 6 months, we will be able to get a Chilean NATO certified oiler for a 90-day period.

What will that give us? It will give us a proof of concept over a reasonable period of time to see if, (A) we can get that additional persistent coverage, and (B) is it really good for something or not, or will the traffickers simply be pushed someplace else? So I think that 90-day proof of concept is very, very important. We're not necessarily looking at it as a long-term solution, but from a—

Mr. SOUDER. So let me ask—I am sorry, because I am kind of confused. Haven't we had an oiler out there in the past?

Admiral HATHAWAY. Excuse me?

Mr. SOUDER. Haven't we had an oiler out there in the past?

Admiral HATHAWAY. There have been oilers out there in the past, yes, sir, that I say—

Mr. SOUDER. And weren't they helpful?

Admiral HATHAWAY. They were helpful in an era where we had very little intelligence to cue us where to go, and so we were able to keep ships on station, but we didn't necessarily know where the bad guys were. What has changed now is we know where they are—

Mr. SOUDER. Do you believe they were effective at that time or not effective?

Admiral HATHAWAY. They were able to give us additional unseen presence out there, and we know we can do that. Those were U.S. Navy oilers that, unfortunately, are tasked in other parts of the world today.

Mr. SOUDER. But don't you think they were effective at the time? Is there any intelligence suggestion, based on anything historically, that would suggest that they weren't effective, and that they won't even be more effective? In other words, the idea of this as a pilot study is kind of silly, because it worked. What you're really saying is how effective, in a gradation scale, because it was reasonably effective even before intelligence. Now we have a lot more intelligence, so don't really need to—the only study we are going to find is how much more effective it is. It will show us other trafficking patterns and other potential adjustments, but the conclusion isn't likely to be that we don't need an oiler.

Admiral HATHAWAY. Probably not, unless traffickers change their patterns such that they're not trying to go far out and around us.

Mr. SOUDER. So that would be good, though.

Admiral HATHAWAY. That would be a good—

Mr. SOUDER. So the oiler out there, if all that forces—I am trying to see what possibly could you find from a study that wouldn't suggest an oiler is useful. Because, what, we're going to suggest they are going to go to the Philippines and back in? I don't think so. That if we push them closer to shore, that is where we want them. So if our only purpose is to decoy them in farther, I am trying to think, if you use the word "pilot study," presumably you are looking for something that—it will be interesting to see what happens,

but it is not a pilot study. We know what works. It is just we are going to find out how it works and how we adjust off of it.

Admiral HATHAWAY. Pilot study would mean we're doing it for the first time, really proof of concept to see if—

Mr. SOUDER. We know—

Admiral HATHAWAY [continuing]. We'll have the results that we—

Mr. SOUDER. I am sorry. I am not going to let the record stand that it is a proof of concept. We know the concept works. The question is what are all the ways it works?

Admiral HATHAWAY. Fair enough, yes, sir.

Mr. SOUDER. But that is an important distinction because we are trying to make the point to our U.S. military that we need a permanent solution. We know it works. What you are going to prove with this is how many ways it works, in what ways it works, but it is, in my opinion, a potential delaying tactic. It is better than nothing. I will take a Chilean ship over nothing. The question is that we need an understanding in our own armed forces that the United States needs to make a commitment, too, that is more permanent, because we know it works. And for us to sign off that this is a pilot study to see if it works is just not true. It is to see how it works. It may push them in different directions. We will learn information from it. But we know it works because we have done it.

Mr. Braun, let me ask you a couple questions as I am moving through on this oiler question. We have seen lots of reports of increases in Guatemala. I presume it isn't the DEA position that it is because Mexico has become so tough to get in, they are going into Guatemala. That suggests if it is indeed rising in Guatemala, we have an increasing problem, and the zone is getting more flooded than in the past. So at the very least it suggests we have better intelligence that is showing our failure, or it suggests it is increasing.

Do you believe an oiler would impact this, and what impact would it have, not only on Mexico, but Guatemala and down?

Mr. BRAUN. Mr. Chairman, I am about as far outside of my lane with this question as I could possibly get. The last time I was on a ship was 35 years ago as a young Marine leaving Vietnam. [Laughter.]

So I would have to defer to the experts.

Mr. SOUDER. Let me ask you the question. Do you believe there has been an increase up and down the border on the Pacific side?

Admiral HATHAWAY. Yes, I would say that.

Mr. SOUDER. And an increase since the oiler was last out there?

Admiral HATHAWAY. Sir, I'm not sure when the oiler was last out there, and I would have to look—

Mr. SOUDER. Would you ask the DEA to provide the estimates now—some of this may be better intelligence—of what the current estimates are, what is landing from the DEA's perspective, and what was landing when we had an oiler and what was happening before the oiler, understanding we also have an informational thing that we will go into later on, the coca statistics.

General Kostelnik, do you have any comments on this question?

General KOSTELNIK. Sir, I think I'd have to associate my experience with Mr. Braun on this. Ours is the detection game, but to the extent that more time on station for the surface ships which provide the endgame would be helpful, I would say yes. And I think you know that we support this region, which is, I think, fairly active from the work that I've been seeing in the last several months. And of course, we deploy, supporting Admiral Hathaway, out of Manta Ecuador, and our P-3s are very active out in that area, and we've had some very successful endgames with support from the Coast Guard and Navy in that region.

Mr. SOUDER. Admiral Justice, do you believe that having an oiler out there helped the Coast Guard in the past?

Admiral JUSTICE. Oh, yes, sir, it would.

Mr. SOUDER. Do you think there is any doubt that a study is going to show that it is helpful?

Admiral JUSTICE. No. No, sir. I know when I was on my ship out there, it would have been great to have one. I'll put it on that road.

Mr. SOUDER. Where do you think the drug dealers would move if we put an oiler out there? What do you think is likely to happen?

Admiral JUSTICE. I concur again with Admiral Hathaway. The challenge would shift. Moving them in or east, is still as challenging.

Mr. SOUDER. But you would like that, wouldn't you?

Admiral JUSTICE. Oh, yes, sir, absolutely right.

Mr. SOUDER. I mean it would be nice to be closer to shore.

Admiral JUSTICE. Yes, sir. [Laughter.]

Mr. SOUDER. Admiral Echandia, as you look at your challenges coming from the western side of Colombia and the Eastern Pacific, have you see patterns too of them going farther out to sea? And would it help you if you had more assets to be able to track in the Eastern Pacific?

Admiral ECHANDIA. Yes, sir. The narco-traffickers are very flexible to move. For example, last year most of the events were done using fishing boats. I mean that the cocaine was actually loaded in fishing boats. This year they changed because we were very effective last year. So this year they changed. This year they changed pretty much, returned to go-fast again. So the go-fast is more difficult to detect. And definitely the air assets are very important. We need first the intel, but we got very much more intel than assets. Many times we have information, but we don't have the assets to react. If we have airplanes with the right equipment, we can use the intel to detect and track those go-fasts.

Mr. SOUDER. Thank you. I want to make sure that—Admiral Hathaway has been a strong advocate of trying to make sure we have more resources out there. I didn't mean anything in my question to suggest that you weren't a strong advocate. Better a partial solution than no solution. It is just that I am working hard and want to make sure we get a long-term solution as well.

Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. And again, I reiterate, I thank all of you for what you do every day to make our world a safer place. We really appreciate it.

Admiral Hathaway, let me go to you. You talked a little bit earlier about—I think it was you that talked about the storms, Katrina and—it was you, right?

Admiral HATHAWAY. Yes.

Mr. CUMMINGS. OK. I take it that they had an effect on your operation, a significant effect? In other words, your regular operation, did it take away resources, manpower?

Admiral HATHAWAY. From a pure JIATF South point of view?

Mr. CUMMINGS. Yes.

Admiral HATHAWAY. Mr. Cummings, we have a plan in place such that we're able to shift our operations to Naval Station Mayport. I have characterized it to some as a JIATF South mini-me that we keep in cold storage at Naval Station Mayport. And we can activate it and continue operations. And to our units in the field, it's invisible, that perhaps we have left Key West. The only thing that atrophies over a period of time, after about 2 weeks, is that our intelligence picture begins to diminish, but we were never away for more than 2 weeks, so that was not much of an issue.

In the wake of the devastating Hurricane Katrina, for example, we did lose, for a multi-week period, most of our Coast Guard cutters, all of our CBP P-3 fleet, actually some of our allies, the Royal Netherlands frigate that we had working for us, Royal British Navy frigate that we had working for us, who came to the call of the United States in its time of need, and to a higher priority mission to this country at that point.

We carried on, working with U.S. Navy assets and other international partners as best we could. To say that we were not affected would be less than the truth. During that period of time, you could see where our success curve diminished somewhat. Just as soon as the Coast Guard, Customs and Border Protection, and others could get back into the counter drug fight, they did. And again, could we have achieved even higher successes in calendar year 2005 than the combined force did absent Katrina? We probably would have, because for last year we were truly inside the decision loop of those transportation organizations.

Mr. CUMMINGS. I see you shaking your head, Admiral Justice. Did you have something you wanted to add?

Admiral JUSTICE. Only to concur, sir. Yes, we had to—we moved Coast Guard assets up into the Gulf. It affected us not only in counter drug, but also in our counter migrant challenges in the Florida straits. There was a significant spike in illegal migration during that time as well post-Katrina, as our resources were directed elsewhere.

Mr. CUMMINGS. When I went down to the Gulf Coast not too long after the Katrina episode, a lot of people were very complimentary of the Coast Guard. They were emotional, a number of them, just saying that if it were not for the Coast Guard, they would not have been alive. I just wanted to pass that on to your folks.

Admiral JUSTICE. Sir, thank you.

Mr. CUMMINGS. The reason why I was getting into that, I wanted to make sure that—one of the things that we have been concerned about is trying to make sure that under all circumstances we have the resources that we need to not only fight the drug war, but to fight the war on terrorism, and also to make sure that we take care

of the people in this country. It is a hell of a balance, and I guess you have to have a lot of flexibility to do the things that you all do.

And I was just wondering, when I listened to you, General Kostelnik, when you were talking about the vehicles that we have that are out of commission, it makes me wonder whether we do have the necessary resources to do all of this. We don't want to be in a situation where the American people are of the opinion that they are in a safe environment or that we have forces that can effectively deal with whatever may come, and the next thing you know, the problems come. And then they say, "Well, what happened? Why weren't we prepared?" I think it is part of our responsibility to try to make sure that those resources are present.

I guess I said all that to say, where do we stand? I mean, do you think we have what we need to do the things that you all need to do? Mr. Braun, you look like you want to say something real bad. [Laughter.]

I think you are about to jump out of your seat.

Mr. BRAUN. Well, thanks for picking on me, sir, but I mean, I like to think that when you are fighting drugs, you are fighting terrorism. When you look at the modern-day drug trafficking organization, and you compare that side-by-side with the modern day terrorist organization, you're looking at one and the same animal, with the exception of probably the last block on the checklist, and that is the motivation, modern-day drug trafficking organizations are purely focused for the most part on greed. It is a greed-driven enterprise. Terrorist organizations, on the other hand, as you well know, are motivated by cultural, political, religious ideology, and that's where they differ, but everywhere else along the line, they're the same.

What bothers me, what concerns me—and I believe I touched on it in my opening comments—was, you know, I'm convinced you can't fight one without fighting the other and expect to win. Terrorist organizations rely on the same smuggling infrastructures that support foreign or major drug trafficking organizations. They rely on many of the same things. They rely on the same money-laundering networks oftentimes, the same arms smugglers. Although they may be separate and distinct—and that's a tough comment for me to make—they often come together for the benefit of both of these organizations.

I mean, do we have enough? I think we could always use more resources. But I want to echo one more time what I said, what I believe everybody said at this table is, you know, with what we've got, we are doing tremendous, tremendous work, and I think we're getting better at it all the time.

I mean, quite honestly, I think next year's statistics will probably show an increase over this year's, hopefully so.

Mr. CUMMINGS. When you listen to the line of questioning of Chairman Souder, I guess what he is getting at is he is trying to figure out, when he talks about the oiler—and he certainly can speak for himself—how do we take the resources that we have—I think this is what he is getting at—and be most effective and efficient with what we have? And I just—you know, I think that we all have to be very careful to make sure that we are not putting

something out to the American people that we can't do—not can't do, but aren't in a position to do. I think a lot of people had a lot of high expectations of our country, and then when September 11th came along—and I know that was a very unique situation, I know that—but they were a little bit surprised. A lot of my constituents said they thought we had better operations to protect against that.

Then after September 11th, when they see Katrina come along, and then they wonder, and I think that—I just want to make sure that we are doing our part. You follow me?

Mr. BRAUN. Yes, sir, I do. I would like to say too that I referred to the drug flow prevention strategy earlier, which is a new strategy. I can tell you that everyone at this agency, representatives from every one of the agencies represented the this table, came together as well as others in the intel community. Basically, all the Federal law enforcement and the intel community, DOD and others, came together to determine what more we could do to disrupt, significantly disrupt and interrupt the flow of drugs, chemicals and money from the source countries into the United States. And we have concluded our second operation, and it was as successful as the first, and what we would be more than willing to do, sir, is meet with you and provide you with a classified briefing. I think you would be impressed with what you heard.

Mr. CUMMINGS. OK. I will do that. I will definitely do that.

Let me go back to Admiral Echandia. One of the things, you know, you talked about one of the most effective ways to address the problem of limited interdiction assets and our inability, I think you said, to act when you have intelligence, but you can't act on it, is for us to put more resources into the Colombian Navy; is that right?

Admiral ECHANDIA. Yes, sir.

Mr. CUMMINGS. Would you elaborate on that a little bit?

Admiral ECHANDIA. Yes, sir. We work very close to JIATF, but sometimes we have information in the first 12 miles, and we don't have sometimes the resources to act, even outside those 12 miles. The narco-traffickers are using now also submersibles that are impossible to detect from the surface ship because they go behind the scenes. It's not detectable even with the sonar because it is not in the place when the beam of the sonar goes. So the only way to detect those is at night with an airplane, with a FLIR system that we can detect a hit from this. This is one of those, this year and last year, which is another one. Sometimes they can carry up to 4, 5 tons of cocaine. So the assets are very important.

If we have the planes we can fly right from the coast. We would be very effective because sometimes we understand the planes from JIATF comes from very long distance to a distance when we have information. If we have the information and we have the planes right there, we can act very fast.

Mr. CUMMINGS. Let me ask you this. Have your intelligence capabilities gotten better over the years?

Admiral ECHANDIA. Yes, sir, much, much better. Matter of fact, we changed the organization of intel a year ago, and I am the first flag officer in that position. Used to be a captain, an O6, and now am a flag officer. And the organization is pretty much larger and has more resources, all kind of resources.

Mr. CUMMINGS. Just a last question back to you, Admiral. Considering what Mr. Braun just said and the fact that we have these limited resources, do you agree with the Admiral with regard to the resources going into the Colombian military, the Navy, more assets? And I imagine that is very frustrating when you have the intelligence but you don't have the resources to go after these folks. One time I think we were having some intelligence problems—and I am sure they still are—but he just said it has gotten much better, so I am just wondering.

Admiral HATHAWAY. In regards to the Colombian Navy, sir, there resides a very capable surface fleet from very large naval ships all the way down to some of the recently provided, we commonly refer to them as “Midnight Express” interceptor boats, that are run by their Coast Guard. And as Admiral Echandia said, the Navy, the Coast Guard and the Marine Corps work as a combined unit in Colombia. They have fantastic intelligence as compared to 3 years ago. As Admiral Echandia said, he is the first flag officer to serve as the Chief of Intelligence, an indication that they have intelligence. Admiral Soto, the head of the Colombian Navy, picked Admiral Echandia personally to make that blossom, realizing that intelligence is really the key to the future.

They have a submarine fleet. What the Colombian Navy lacks is reliable maritime patrol or aerial surveillance, not only within their territorial waters, but to help patrol their exclusive economic zone out to 200 miles. What he says is absolutely true; most of our JIATF air resources fly from hundreds if not thousands of miles just to get into a location off the Colombian Coast, either west or in the Caribbean sometimes. If they had access to more generic maritime patrol aircraft—or aerial surveillance is really the requirement—I think that the resources that they have in the Colombian Navy today would be much more productive.

We have shown when you have the integrated force package that you're successful. Does you no good to have a ship on the ocean that's not being supported by someone above you that can see a lot more than you can. Conversely, it does you no good to have an aerial asset that sees something and there's nothing there to be able to respond to it. We have been frustrated both ways. Admiral Echandia is feeling that today.

The components they have are all coming together. They still do not have that generic maritime patrol or aerial surveillance in their littoral regions to truly be a force multiplier for the other very competent capabilities that they have today.

Mr. CUMMINGS. And therefore, we don't have—and I am finished with this—but we don't have the resources to solve the problem that you just said? That is what I was trying to get to. Is that accurate?

Admiral HATHAWAY. We spread the maritime surveillance that we have to support U.S. assets at sea, the Colombia Navy, our other allied assets. When you keep in mind that today some 75 percent of the cocaine moving to world markets comes out of Colombia, it would probably make sense that a very aggressive and otherwise well-equipped Colombia Navy has its own generic maritime patrol, whether it actually—it doesn't matter where it comes from, but

something that can be tasked by the Government of Colombia, and is much closer to the source of the problem.

Mr. CUMMINGS. Thank you.

Mr. SOUDER. It is fairly safe to say that somewhere around 50 percent of that—it is hard to say precisely—is going to Europe, and Europe hasn't been particularly helpful with what is going out of the north. I want to make sure I get this on the record because you have certainly shared it with us in the past, and you more or less hinted there, Admiral Hathaway—would you agree with this statement? We are seeing drug shipments coming, and we don't have the assets to interdict them?

Admiral HATHAWAY. The good news is we're seeing so much more, and the fact of the matter is that we have intelligence today that I would love to be able to either have a ship or an aircraft go check out to see if that is in fact a drug shipment. In some cases today we are having to forgo that opportunity.

Mr. SOUDER. So the likelihood is we are getting more, but we are seeing more as well. So both our success and failure rate is increasing because we now know more about it.

Mr. RUPPERSBERGER.

Mr. RUPPERSBERGER. Well, first, I want to thank you all for being here. We do have a big problem, I think internationally and nationally, and that problem is that we have to start reprioritizing I think in the issue we are talking about here today.

The war against terror is very important, and there are a lot of assets that are going into identifying information, intelligence that is necessary, and I am on the Intelligence Committee, so I hear both sides of what is going on, and Mr. Braun, I have had briefings from both military and other about where we are from an intelligence point of view.

One of the things that I keep saying is, you know, if you look at our facts and if you look at what our problems are in the world, probably drugs clearly are probably our biggest problem. And if you lay it out on the table how much more drugs impact society versus terrorism—not that terrorism is not serious—I think just in our country—and you can correct me, Mr. Chairman—about 85 percent of all violent crime is somehow drug related.

I think if you look at our borders, especially the Mexican border, 80 to 95 percent—and you correct me where we are—that comes really basically from Colombia to Mexico. If we put the same resources, just half the resources that we have in Iraq—and I just came back from Iraq 3 weeks ago—not only just you gentlemen and what you do here today, but also your CIA, your NSA, and the resources, we could do a lot more with respect to the issue with the borders.

It seems to me that we really have to start focusing very, very clearly, that we can do—we can use the same type of equipment and technology that we use in terrorism, fighting terrorism, to deal with drugs, and also immigration. I mean a lot of it will come together.

Right now, what I can say—and you can't say a lot when you are on the Intelligence Committee it that we are starting to see more and more, and probably more maybe in Afghanistan, than I would say the issues that we have in Colombia and Mexico, but we are

starting to see more and more that some type of funding that might be able to go into the terrorism area. But what you said—I forgot who said it—you know, the terrorism is more ideological, versus drugs are still money driven, and that is very relevant.

So where do we go from here? First thing, I think the problem now really lays at the feet of the President, the administration and Congress, because you can sit here all day and tell us what is going on and what you are doing and what equipment you are using, but bottom line, what we are hearing here today is that we now have gotten to an area of sophistication that we are really developing what we can do to solve or try to deal with this issue, but we just don't have the resources to do it any more. So it is up to us, it is why we are having this hearing, to try to get the administration and Congress to refocus.

Now, how do we do that? First thing, I would like to ask, from a priority point of view, we are not going to have anything. Right now we are on the bottom of the totem pole, unfortunately, as it relates to drugs from where I sit. But where are these priorities and what can we do to maybe do it out—but something that we need a lot more? I clearly think that intelligence is the best defense against terrorism, and I see it now with drugs. And, by the way, I was a former drug prosecutor for about 9 years, and did wiretaps and international drug rings and that type of thing too, and I found, you know, you knock out five groups, and five more are right behind. But it was an easy area to work, because as soon as you pop or arrest somebody, you usually find that your drug organizations, because they are facing a lot of time, will cooperate, so you know, we are pretty active there. So you have to go to a source. You got to go to transportation. You have to go to a border, and then you deal with some of the street issues too.

From a priority point of view, where you are sitting, from your perspective, what are your highest priorities so we can argue your point? Now, one of the things—you see the pictures there about—what do you call it you are using where the wings are cracked, S what—P-3s. P-3s. UAVs are, I think, are a tremendous tool that we have right now, and the sophistication is getting a lot better in fighting the war against terror, in fighting the war in Iraq and Afghanistan, and I think from a drug perspective, too. And you don't have the same kind of problems that you have about our three men from Northrop Grumman that are still wherever they are in Colombia.

What are your priorities? What would you like to see us prioritize? And unfortunately, in our system, you are the administration, a lot of you, and you can't really argue against the President's budget, which I don't know if I like that or whatever, but I understand where you are coming from—so tell us where—and let's go down the line real quickly—where would you like, from your perspective, where would you like us to put the priority so we can argue that point of view? Because the people here—and Marc's father lives and dies this, I mean he really wants to make a difference. We were just in Afghanistan, where the poppy was grown, and saw the eradication with the United States and Great Britain and that type of thing. So I think you really have some advocates here if you let us know where your priorities are.

Mr. O'GARA. Mr. Ruppertsberger, thank you for the opportunity to answer that. In the drug control world internationally, I would say that the intelligence capacity is fairly highly developed. Organizations like the Drug Enforcement Administration have brought to bear unique and highly sophisticated technical capabilities and they've merged them with their elaborate—

Mr. RUPPERSBERGER. Drug Enforcement has become a part of the intelligence community to an extent with DNI. That might be another way we can look at where we can—

Mr. O'GARA. I don't want to steal Mike Braun's thunder, but he can talk about that as well.

Mr. RUPPERSBERGER. Well, don't worry. He will.

Mr. O'GARA. In terms of what Admiral Hathaway and his ilk are doing in the Transit Zone, that employs things that would not have been surprising to an Army Signal Corps operator during World War II on up to very esoteric and cutting-edge technology. And one of the strengths of JIATF is the ability to merge and integrate all that overlay, the human picture that they're getting from PANEX, and get it out to the field quickly and in a secure manner.

In terms of priorities that go by country, as you know the administration—and you are familiar with this—has a fairly elaborate requirements process. We would be happy to brief you on that separately in a closed session.

And I'll just leave it there.

Admiral HATHAWAY. Sir, as you will see, we all come at the problem somewhat differently based on what our daily duties are. If the target set that we're looking at a shortage in terms of being effective against is today, and for the purposes of this hearing, drug shipments emanating out of South America, coming toward the United States, I would say persistent maritime surveillance, given the modus operandi of the transportation organizations, today remains JIATF-South's greatest detriment.

And I say "persistent maritime surveillance." Today it is most often met by long-range four-engine aircraft, but it could be, in the future, UAVs. We finished not too long ago a study utilizing Global Hawk to see if it had applicability in the counter-drug mission. The results of that are still being tallied. Is Global Hawk available to be employed by JIATF-South today? Absolutely not. Too high to—

Mr. RUPPERSBERGER. Let me stop you there. Why "absolutely not?" I mean, what do we have to do to maybe get the administration or to get Rumsfeld or whatever to really start refocusing on maybe sometimes crisscrossing and sharing this information? When you need the help of a UAV, it seems to be very effective. And, you know, UAVs—the good news—are not as expensive as a lot of other technology that we have. They can be made pretty quickly and get out to the field right away.

I mean, have you attempted to ask for this and is the response negative? Or is it all about terrorism and the war in Iraq and Afghanistan? What's going on there? Because I think that could be extremely effective on a short-term basis and we get very quick results.

Admiral HATHAWAY. Yes, sir. As was pointed out by Mr. O'Gara, in the DOD requirements, U.S. Southern Command does have a

standing requirement for UAVs that currently cannot be met because of other world demands.

Now, not just any——

Mr. RUPPERSBERGER. OK, so then basically you made a request and it has been turned down? So from my perspective—not yours, because you are part of the administration, just like the generals who retire but you can't speak out when you are there—I mean, I can. So I am asking you the question. Would a UAV—I mean, do you think—I am asking for priorities. And I do sit on the Intelligence Committee. In fact, I was late because we have our budget on the floor today. And so, you know, you might have some input there.

Would UAVs, which, if we redirected some priorities, be one of your highest priorities in doing what you need to do?

Admiral HATHAWAY. To the extent that it can provide persistent maritime surveillance—which means not just any UAV—absolutely. To be able to really get into the heart of the issue, sir, is beyond the classification level of this open hearing to be able to talk about exactly the capabilities——

Mr. RUPPERSBERGER. And I understand you can't go too far. But——

Admiral HATHAWAY. But absolutely——

Mr. RUPPERSBERGER. Why don't you get with the chairman and, if you want, we will be there. And, you know, we go to meetings all the time, so we don't need any long meetings. But just your—I am asking for a list of priorities that, when I am in a hearing in Intel, and we are doing budget appropriations, that we can start trying to get these priorities back online. Because this is getting to be very serious. And when we sit here today saying you are really gearing up and you are doing the job, but you don't have the resources to deal with it, that means there are a lot of drugs going out in the street every day.

And, you know, it is so frustrating—I don't know about you, Mark—to sit in these hearings and, you know, you come and you give your testimony and then nothing happens. And that is why you are having a second hearing today.

So I can tell you, I mean, there are three of us here today, we will try to prioritize if you can get us your priorities. And I would like you to focus on the UAV, because I think that might be a way we can use technology with less manpower and that might really help you in that regard, from your perspective. Can you do that for us?

Yes, sir? No, sir? No excuses, sir?

Admiral HATHAWAY. We can prioritize anything, sir, absolutely. [Laughter.]

Mr. RUPPERSBERGER. OK, now, any other priority other than that? I mean, we talked about UAV. Any other priority?

Admiral HATHAWAY. I am going to give the other witnesses an opportunity because I know they have some things that would also be on my list. I don't want to——

Mr. RUPPERSBERGER. Well, if they don't, come back and give it to me. OK.

Mr. Braun.

Mr. BRAUN. Yes, sir, one of the biggest challenges that we face today as an agency, the DEA—and I'm speaking for DEA, but I know that the—and I know that you know—the FBI, ICE, and other law enforcement agencies, Federal law enforcement agencies, are facing the same problem. And it is the threat posed by emerging technology, technologies that are advancing so rapidly that we're having a tough time even catching up. And I——

Mr. RUPPERSBERGER. If you are talking about on the street, I will take a DEA agent any day of the week.

Mr. BRAUN. Thank you, sir.

Mr. RUPPERSBERGER. You do a great job in the field.

Mr. BRAUN. I appreciate that. And I want to assure the community that human intelligence will always be our foundation. But as an agency——

Mr. RUPPERSBERGER. Do what you do best.

Mr. BRAUN. Thank you, sir. About 20 years ago we did make some strategic decisions that we weren't going to buy or bust our way out of this problem; we had to focus on command and control nodes. You mentioned wiretaps earlier. Last year as an agency, we conducted more criminal wiretaps than all of the Federal agencies, law enforcement agencies, combined.

Mr. RUPPERSBERGER. Good results?

Mr. BRAUN. The results, tremendous results that—I mean, I could talk about this all afternoon, sir. But we do have tremendous results. I think most recently the indictment, working very closely with our Colombian counterparts, the indictment of the 50 highest-level members of the FARC. Now, getting our hands on them and getting them into a U.S. courtroom is, you know, going to be tough, but we have three right now that our Colombian counterparts do have under arrest that we are seeking extradition for, and they have worked with us very closely on that.

Mr. RUPPERSBERGER. Are you still using RICO and asset seizures and stuff like that?

Mr. BRAUN. Yes, sir, CCE, RICO, asset seizures.

Mr. RUPPERSBERGER. Yeah, OK, because that seems to be very effective.

Mr. BRAUN. And I'm proud to say that about 2 years ago, as an agency, we seized about \$400 million in cash. This past year, because of the Administrator's direction of following the money and focusing on that, we seized over \$1.5 billion in cash.

Mr. RUPPERSBERGER. Good.

Mr. BRAUN. And we're gaining ground in that respect as well.

But this emerging technology thing, this VoIP, Voice over Internet Protocol technology by which drug traffickers, terrorists are communicating, I mean, it is extremely difficult. And I am not saying that we need to back off of the strict judicial oversight; we always need that. But we've got to—today's communications-intercept laws were written in the 1940's and 1950's, for God's sakes, and we've got to start focusing on the technology and——

Mr. RUPPERSBERGER. That is a very relevant point. We are dealing with that same issue, you know, with terrorism and NSA and everything else. And I think in the end, if we are going to really be as effective as you need to be, you need NSA in there working with you to—just like we identify terrorists, we need to identify

drug dealers and where they are going. And now that you are a part of the intelligence community, take it back. I have asked, because I am on the committee, that I think we need to really address the issue you talked about.

So same thing with this new agency in the FBI, the new spy agency. You know, the FBI's culture is that of investigate and arrest and then charge or indict or whatever. But, you know, we can do that all day long, and that is the culture of the FBI, but the FBI is responsible for our security as it relates to terrorism in this country. And this new spy agency has to be different than arrest-and-convict.

And the good news is that you have some CIA people and FBI setting up this new agency within the FBI. And one of the things they have to deal with there is what you just said. A lot of the laws that we are dealing with in the electronic surveillance in those areas are laws that were written 20 years ago. But we are a system, a country of laws, so we must have the laws before you can go out and do things that now is at issue with NSA.

OK. Any other thing?

Mr. BRAUN. Well, sir, just very quickly, one last thing. And I just, I want to add this, that I am convinced in my mind that by doing what all of us do at this table, we are providing a defense in depth, not only on counter-narcotics, but if there are some other nefarious activity going on out there, OK, we are going to be the first ones that bump up against it. So any resources that we are able to have focused in our backyard benefits our Nation—and not only our Nation's war on drugs, but our Nation's war on terrorism.

Mr. RUPPERSBERGER. Just to talk about resources. About 2 years ago, I think, I was in Chiang Mai, where you have all this methamphetamine coming in from Burma into Thailand. And I think that used to have maybe 15 people at that station—there is one DEA agent right now. Where did they go? Where did they go? Do you know?

Mr. BRAUN. In Chiang Mai, I—

Mr. RUPPERSBERGER. That is just an example I used. You had that force there, now you have one, I think, that is going to deal with all that methamphetamine. There are probably a lot coming into California and that area, and Indiana, I think.

Mr. BRAUN. Yes, sir. We still have a significant presence in Thailand. We don't have the numbers that we once had in Chiang Mai. I would have to—

Mr. RUPPERSBERGER. Well, where did they go?

Mr. BRAUN. Well, I believe they've been redirected elsewhere within Thailand.

Mr. RUPPERSBERGER. OK. Because of budgetary issues, too, correct?

Mr. BRAUN. Yes.

Mr. RUPPERSBERGER. OK. That is what I was trying to get at.

General KOSTELNIK. Sir, our highest priorities would be, I think, the ones that you mentioned. First of all, the P3s, given Admiral Hathaway's comments on how important persistent maritime surveillance is and given the fact that our P3s are a significant portion of that capability. It is important for us to establish a credible long-term service life extension program for these aircraft. They are

very capable in what they do. They're optimal for the mission that we have. There really hasn't been that much of an improvement in aviation that would warrant a new purchase, as new aircraft with new systems would be very difficult for us to implement in a timely fashion.

So P3s, I think, are a very credible source. We have 16 of them in our service dedicated to this mission. That is going to continue. For 2007 budget, our strategic plan on the future of the P3s was not complete at the time that was exercised by the administration, but we did get the foresight of having the money necessary in 2006 to start that program. The initial parts of those funds have allowed us to fix the problem we currently have and they will provide us a mechanism of determining what the long-term requirements are. They may or may not be required in 2007, but certainly we're working internal to the administration to plan for this kind of future to keep these aircraft robust—one line for maintaining and dealing with the effects of aging; a second line for increasing the capability in terms of improvements in computer software, you know, command and control features and surface surveillance radar.

So our highest priority, and the air and marine thing for not only the drug interdiction but also the antiterrorism approach in the coastal and these same regions is for, you know, making sure these aircraft remain safe and effective for the long term. And I think in that regard we are in very good shape, but if there was a priority, this would be our first one.

The second one, it is interesting that you note, because we have been involved in the UAV business, not in the Global Hawk, which is a pretty large, sophisticated—

Mr. RUPPERSBERGER. Shadow?

General KOSTELNIK. Predator B.

Mr. RUPPERSBERGER. Oh, Predator B. OK.

General KOSTELNIK. And we have not been flying this in the JIATF-South area. We have been actually flying this in the Arizona border. And I mention this because that aircraft crashed yesterday morning on a mission.

Mr. RUPPERSBERGER. Is that the aircraft right there?

General KOSTELNIK. No, sir. I wondered about that when I came in, but actually ours is laying out in the desert, and I'm sure on the media this afternoon or tomorrow you will be able to see photos. But it's a Predator B. It's a large and sophisticated UAV. It is a good value. With all the sensors, which include not only electro-optical and infrared, but also synthetic aperture radar. It's about a \$6.8 million asset. We purchased this system last year as part of a beginning of a UAV fleet which we intend to grow. We've been operating it in the desert.

Mr. RUPPERSBERGER. So you are getting them now? I mean, the Navy might not, DOD—you are not there—but you actually are getting them?

General KOSTELNIK. We've been flying one for a year. We've purchased a second one, which we accept in August.

Mr. SOUDER. Is the one that wrecked the one?

General KOSTELNIK. This is the one, yes.

Mr. SOUDER. So we have zero, but we have more coming?

General KOSTELNIK. Nothing flyable. We get a second one in August, we get our—we have money in 2007, in the budget, to buy a third. In our long-term future, we would add more of these assets focused on the U.S. borders, but not just the south; also in the coastal regions. And these aircraft can fly for 30 hours. They're not in the same class as a Global Hawk, but they would have some applications in certain areas, certainly the Caribbean and some of the closer-in transit area zones.

Mr. SOUDER. When one wrecks like that, do you automatically re-submit for another? Is there a process? Or does this mean you are just down?

General KOSTELNIK. Well, these vehicles are so popular, actually, that the supply—General Atomics makes this vehicle. The Air Force have been users. In fact, you may have seen Predator A's in Iraq. There are multiple U.S. users overseas of these vehicles. We fly the Predator B, which is the newest—it is the larger version, with a 60-foot wingspan. So this is not an insignificant vehicle.

We're actually delayed waiting to get our second one in August because of competition with the U.S. Navy, which is also procuring these. The Coast Guard have looked at these in the past for the near coastal region; they're looking for other types of UAVs in their mission——

Mr. RUPPERSBERGER. Probably Rumsfeld is more powerful than Chertoff right now.

General KOSTELNIK. Sir?

Mr. RUPPERSBERGER. No. [Laughter.]

General KOSTELNIK. Well, the point is we will certainly replace this one with one next year. And again, much like the prototype issue on the P3, this last year of experience has given us unique exposure to how to use these things. In fact, we started flying this vehicle on about September 1st. It flies typically from 5 p.m., till 7 a.m. It will do multiple missions. It has a man in the loop mode, so you can bring the man into the local scenario virtually. So it is not just a program.

Mr. RUPPERSBERGER. Are you looking mostly for watercraft? Is that what you are doing? Everything? I mean, location——

Mr. SOUDER. Well, part of the fundamental problem we have here is they have none, and that they had one and it wrecked, and we are in line to get the second one.

Mr. RUPPERSBERGER. You didn't have insurance? [Laughter.]

Mr. SOUDER. But the challenge here is that now we are in line to get the second one. And as I understood the answer to your question, that we may, as you mentioned, you may not have the same clout as the Department of the Defense. And then the fundamental question is do we spend our time trying to—how much effort do we put into getting one of these? Meanwhile, the P3s can't fly. And that while we need to get that program on, the fact is that we have our existing program sitting while we are trying to get a new program started and it just went back.

It means that when you get your—if I understand what you are saying—when you get your next one, we will now be back to where we were with this one.

Mr. RUPPERSBERGER. And you know what that means? That means there is a lot more drugs that go back on our streets again. Right?

Mr. SOUDER. Let me ask a question on the P3s. Is that also a capacity of repair question, or, if you had more money, could they all get back up flying faster? Because one of the questions is, can we meet last year's drug dumpers? And the general consensus is that it is going to be tough because we have so many assets down. The Coast Guard boats are getting older, the P3s are down, and now we just lost our Predator.

So is this—you said on the Predators it is a supply line problem. Is that also true on the maintenance of the P3s, or if you had additional money could we get them up, since we just lost our Predator?

General KOSTELNIK. Well, sir, there are limited places in the country where you can do this kind of work with experienced personnel for these systems. And so it really isn't an issue of money. We have more than enough money to fix this problem. And I understand—

Mr. RUPPERSBERGER. But you don't have enough vehicles, though.

General KOSTELNIK. We have 16 vehicles. And if you looked at—when everything was—with the people we have and the resources we have, we are very close between either being limited by the pilots we have to fly the aircraft we have or the money for the fly time. It is very close. And above that, there is more capacity in flying hours for the 16 aircraft we have. So we could fly more hours if we had more pilots and the money to go along with that. It's a marginal amount, though. If you wanted to increase the coverage substantially, then that would require—

Mr. RUPPERSBERGER. Let's get into that. Because more pilots—we have pilots all over the place. I mean, there are National Guard pilots, there are pilots. I mean, who are your pilots now?

General KOSTELNIK. Well, we have a combination of pilots, depending on the mission. On the Border Patrol, their requirements are very stringent—Spanish speakers, Border Patrol experience, Border Patrol graduates. On the P3 side, we typically assess former military pilots, sometimes the Navy for P3s, and the Army for our helicopters. And then we send them to law enforcement training because, realizing we're in this business, all of our pilots are—

Mr. RUPPERSBERGER. Do you have a program in place that is dealing with recruiting of pilots right now?

General KOSTELNIK. We do when we are hiring. We have not been in a hiring mode over the last several years because we've been trying to figure out the merger and the strategic way ahead. In fact, this year—

Mr. RUPPERSBERGER. So the bureaucracy is slowing everything down, is what you are telling me? Come on, that really there is a system—if you are telling me that we can't hire now but we are not sure. And I am not blaming you. I am just saying the system is broke. Because the drugs are not stopping; they are continuing to go on. So we really have a lot of work to do, I think, as far as prioritizing on the resources that you need. And what you are telling me, I think, that aircraft—you are doing well on intelligence

because I think, you know, you have more technology and you are using it.

So we have a lot of work to do in that regard. And again, it is not your fault. You are getting the money, you have to deal with it, with what we need to deal with. But it is something that we have to really, seriously get these priorities together. And if you could be a little more specific, I would appreciate it.

Do you also have—do you deal with the issue of containers?

General KOSTELNIK. No, sir, that's the Office of Field Operations. Those are the port of entry—

Mr. RUPPERSBERGER. OK, I just want to—OK.

General KOSTELNIK [continuing]. U.S. Customs—

Mr. RUPPERSBERGER. But if you do know what percentage is coming in of the drugs, say, into the United States would be through containers versus, you know, the Mexico or that line, and water and air and that—all those different areas.

General KOSTELNIK. I would take that question for the record and provide a response. I don't know if any of my colleagues here could answer that question. But I could tell you what we're finding—

Mr. RUPPERSBERGER. Ten percent, 15, 20—what?

General KOSTELNIK. I couldn't hazard a guess. It is not my area of expertise.

Mr. RUPPERSBERGER. Does DEA or ONDCP have that estimate—rough, ballpark?

Mr. BRAUN. It's—I feel safe in saying it's a great unknown right now. We've got some initiatives under way to try to fill that intelligence gap. But it's a gap.

Mr. RUPPERSBERGER. Because here we go again. We have all these different agencies—CIA, NSA, FBI, military—all working on trying to develop the port security. And, really, a lot of it is about the port of embarkation and the system we need to put together, which Customs deals a lot with that and ICE and all those different areas. It seems to me that some of the same things we are doing in the fight against terrorism, we could do the same thing and get the same information out to our analysts and then get it to you all. It could be one group that gets it on the terrorist information, the drug information, because it is all there at the same time.

Yes?

Mr. BRAUN. Sir, I can add this, and should add this. The intelligence tells us this clearly, that the major drug trafficking organizations, it's not a preferred method of smuggling because they lose control, constructive or otherwise, or direct control of the load. Once it's placed in that container and until it lands where it's, you know—it docks where it's supposed to dock, they've got no control over it whatsoever.

Mr. RUPPERSBERGER. Right. And the only reason I ask that, I am trying to find out whether it is worth trying to focus on that, because we are doing a lot in the airport security. And because it was a big issue, it just called attention to port security. And I think, hopefully, there will be more money coming in that arena, one that we could take advantage of.

How about you, Admiral?

Admiral JUSTICE. Sir, thank you.

Mr. RUPPERSBERGER. By the way, I do want to say to the—I didn't really work with the Coast Guard until I came to Congress, and I have a Coast Guard yard in my district and deal a lot with Sloan, who is your intelligence person. But you really have an outstanding agency. I don't think the public knows how good the Coast Guard is. The leadership, the men and women on the front line, what you have to do in all your areas of jurisdiction, it is amazing that you do so well. And then when you were put on the line, just like our men and women throughout the world, say, in Louisiana, you produced. So I just want to say that.

Admiral JUSTICE. Thank you, sir. I appreciate that.

Mr. RUPPERSBERGER. Now do you want to know the bad news?

Admiral JUSTICE. Oh, yes, sir. We are at year 4 of a 25-year recapitalization. We call it our Deepwater Program. It is no news to you, sir, but last year was a significant effort to get the President's funding request. And we got it, and we've moved forward. And I can talk—in the 2007 budget, as our Deepwater request for this year is in front of you, there are more C130J hours, more C130H hours, contracts logistics—

Mr. RUPPERSBERGER. But what are you using the C130's for, then?

Admiral JUSTICE. Those are the four engines, long range—

Mr. RUPPERSBERGER. I know what they are but I mean—

Admiral JUSTICE. I am sorry.

Mr. RUPPERSBERGER [continuing]. What are you using them for?

Admiral JUSTICE. Counter-drug, counter-migrant. It is put specifically in the Transit Zone. Alongside the P3s, I would submit, those are the backbone of our MPA issue.

Mr. SOUDER. They move the Coast Guard boats that have the helicopters on them; one of the ways they move them is through the C130's from Jacksonville down and into the Zone. Is that correct?

Admiral JUSTICE. That's correct. So we are definitely committed to moving forward, having more fixed-wing aircraft available. It's in our budget to do that. We're also bringing online our first—they're CASA. They're a new, mid-range type of aircraft which will allow the remaining fixed-wing larger ones to work down south.

My request is Deepwater funding, at the President's request, and it will absolutely support this mission and move it forward.

Mr. RUPPERSBERGER. OK. Admiral, I am glad you are here from Colombia. It seems to me from my tour in Colombia about 8 months ago—we have a vote soon—that you have a strong eradication program. You took a bunch of us to a field and I know that there are a lot of priorities in that regard. Also, that UAVs, based on your country and the territory, could be extremely helpful, and especially dealing with the FARC and certain other areas, and then you have the drug cartels. Where are you right now as far as your eradication program and what do you feel you need from us from a priority point of view, after what you have heard these gentlemen say here today?

Because, what is the percentage coming from Colombia now, in the United States?

Mr. O'GARA. About 75 percent.

Mr. RUPPERSBERGER. OK, cocaine and heroin? Or just cocaine?

Mr. O'GARA. Heroin has been down. We were unable to produce a heroin estimate for 2005. It's the majority, typically.

Admiral ECHANDIA. Sir, I'm not an expert in eradication. We're more on the coast, on the rivers, and much more in labs, laboratories, and interdiction. But talking with my colleagues from the National Police, who are the people who run the eradication, they said that they need more resources, more planes, for spraying the crops of coca. Now they have plants that give five crops in a year. It used to be three, then four, now five. So they become more and more and more efficient.

But for the sea and for the rivers, the solution that we bring today is a very modest solution. It's using DC-3s refurbishing its frame, and with brand-new engines. And the program that we have here is \$26 million for two of those frames, aircraft, with the right equipment to detect all. The go fast—the fishing boats, the submergibles. That is the problem. And you see here it's an idea that we have in interdiction. We put everything. But if we put those small planes, the DC-3s, we can fly 10 hours. It's a very modest aircraft. It costs only \$400 an hour to fly. It's very cheap and can fly for 10 hours. So we can stay on a station a long time and we can control the territorial seas.

Mr. RUPPERSBERGER. I want to ask, Mr. Chairman. We are sitting here testifying, and we talked about priorities, if you could come together and get information to the chairman and we could set about priorities and what we can do to try to deal with this issue, because it is a serious problem. And the way I look at it, it's going to get worse, because I see less funding going into this.

Mr. SOUDER. Before I yield to Ms. Watson, I have—I was very generous on the time here, but now we are up against the wall. We have two 15-minute votes filed by 5, there is——

Mr. RUPPERSBERGER. Did they call them already?

Mr. SOUDER. Yes. And you have been very patient. So we are going to have to adjourn the hearing. But I need to make a couple of things in the record here and then I will yield to Ms. Watson for a last comment.

Ms. WATSON. Let me just submit my questions. I will submit my questions for the record.

[The prepared statement of Hon. Diane E. Watson follows:]

**Opening Statement
Congresswoman Diane E. Watson
Government Reform Committee
Subcommittee on Criminal Justice, Drug Policy & Human Resources
Hearing: "Transit Zone Operations: Can We Sustain Record Seizures
with Declining Resources?"
April 26, 2006**

Mr. Chairman, I thank you for holding this hearing that is critical to eliminating the constant influx of drugs into our nation. Eliminating drug smuggling and distribution throughout the United States is vital in keeping our communities safe.

The Department of Justice contends that in my home state of California, we have over 80% of the nation's Meth labs and therefore are the leading exporter of this deadly drug. In 2002-2004, 142,749 people were admitted for meth treatment in my state alone. I am also very troubled by the fact that over 12 million Americans, ages 12 and older have tried recreational drugs at least once in their lives. These statistics are startling and devastating. Our youth are the future of this nation and a fight to decrease the distribution of these illegal substances should be at the forefront of our agenda.

Throughout this hearing we will discuss the impact on illicit drug flow from the South American Andean region into the United States. We are seeing a growing trend where everyday more and more children are entering the foster care system because of drug use, manufacturing, or selling. Our children are suffering from their parents' addiction to drugs. Most youth who end up being drug users started off with doing a small amount of recreational drugs like marijuana. That usage was their harmful gateway to even more addictive drugs like heroin, meth, and cocaine. The problems we have in policing illicit drugs from entering the United States is not just the users' and distributors' problem; it is the problem of any person who touches the lives of those who use these harmful substances.

Illicit drug use and distribution have disastrous consequences across America's Pacific and Atlantic border states and beyond. Congress must do everything in its power to expand access to treatment, strengthen prevention services, and continue to support research that help us

overcome this problem in the United States. We need to be focused on supplying treatment that will not only get the abuser off of drugs, but supply them with a job, help them remain out of jail, and be a positive contribution to society.

Thank you again Mr. Chairman for putting together this important hearing. Also, I would like to thank the witnesses for their willingness to come testify. I hope that we can all work together to effectively tackle the abuse of all illicit substances that are ruining our communities and killing our children everyday.

Mr. SOUDER. Thank you very much for coming. I thought we were going to not vote till 6 p.m., so I was being fairly casual. What I need to do is, first off, for ONDCP, I am going to insert the questions in the record that Senator Grassley sent to Director Walters.

We are increasingly angry at false information that has been consistently given to us on data. Those of us who go to the House and Senate floors are getting exasperated that there are a number of questions—like in Boston on heroin prices—we are told one thing. David Murray wrote an article. One thing that contradicted what we had been told here, that the ONDCP submitted a chart and a footnote that said, not to use—they quoted numbers that their own reports say not to quote, in order to try to make their case. These are very specific questions because they relate to a bigger question. We don't believe anything.

I mean I am saying this as a Republican right now. I am so angry at going down to the House floor and saying, "This is what we are doing in Colombia," and then every year some explanation. At this point, we don't know what to believe, that the fact is we can see more, but then we should have been told point blank that we couldn't see it. Instead, we acted like we were getting a higher and higher percentage of eradication, and we didn't know. That should have been noted and led with, and instead, we go make these different statements, when in fact, now we are being told that not only were we wrong on this year's projections by huge amounts in Colombia, which forces us to go to the House floor with that, but it is going to increase.

We go to Afghanistan, supposedly our success story, heroin as far as the eye can see. We are told we are doing hand eradication, and they got one in and it is not clear they are going to get two more, the poppies coming off, and the question is, what in the world are we doing? And they say, "Well, we thought we were up in the northern province. We didn't know it was going all over in the southern province." Well, then tell us that at the beginning. If you need more resources, tell us you need more resources. Part of the argument—and I know this from discussions—is everybody gets sat on because part of your concern is OMB doesn't want to come to Congress and say, "Oh, we need more money." Look, as a Republican, I am voting for some pretty tough budgets, but I would like to know when I am trading off.

If I am having to go home and tell the people that I can't increase their Medicare this much, then I need to be able to say that it is a tradeoff because Deepwater is this much, and this is how much cocaine we are missing, versus this, and money doesn't grow on trees and I have to prioritize. But if we can't get what your priorities are and what we are missing, then we as politicians can't do the tradeoffs because you are depriving us of the information.

Now, I would like for the record for the Drug Czar's Office, ONDCP, to say, are you openly advocating and willing to go on the record that we need more funds for Deepwater, that we need to make sure that this Predator gets replaced, and the second that went down, did Director Walters call over and say, "I'm going to battle to see that I get up there because kids are going to die in the street." While you're theoretically doing different things in the narcotics, if we don't have these type of things, we're in deep trou-

ble. Or is this just kind of some quiet pre-decisional thing that ONDCP will never go on record as the drug office, arguing inside the bureaucracy?

The whole reason we created the Drug Czar's Office was to be an advocate for the other areas. We are sitting here on the House floor arguing for an oiler, and we never hear any back behind us. We watched the Department of Defense, before September 11th, put narcotics down below, and we were already having this battle prior to September 11th, and more and more assets moving out, and then we don't have the support.

Now, questions I have—and we will submit in record—for ICE, because ICE is telling us we had a good discussion about the transit zone, and we may have a few questions on the transit zone. Yesterday we did not talk about the Mexican border. We did not talk about whether there was going to be Air and Marine support. ONDCP's testimony said that ICE is important to the investigation, but in fact, none of the 8 ICE people in Mexico are working with investigations. The question for the ICE people—and this is different, because it looks to me, and sounds to me—and this is kind of the fundamental question will have some things behind it for the DHS—is in the Air Marine Division, it sounds like you are holding some of the traditional functions, as much as possible, in the transit zone question.

The question is: Is Air and Marine, as it relates to the southwest border—not the southeast—how is it going to be transformed? And we will have some questions about how the air is going to work there, how that division, is that going to be picket fence or is it going to be able to be fungible like the division over in the southeast? Those are fundamental questions.

We may have some additional questions on the Coast Guard as to what the status of the assets is, where in the East Pacific, how does Deepwater specifically affect the narcotics efforts in the Coast Guard? I have a series of questions here.

Also in DEA, some nuances with the different assets that we need to deploy, and where in the areas particularly in Central and South America the DEA needs boosting up? In Afghanistan we kind of know what the problem is, the military owns that. The DEA is at the mercy, more or less, of the military support, and the Brits are supposed to be running the operation, and I caused enough ruckus over in Kabul to last us for a little while. And so we will continue to push that.

And then watch for emerging areas, that clearly we have to have the Europeans. We have some followup questions on what happened since the Dutch sold the Germans their P-3s in the Caribbean. Are the Germans going to invest in this? Colombia is out there, it is us and Colombia, when half of this stuff is going over to Europe. Where are the Germans? Where are the French? Where are the other countries in Europe, because it is partly their problem too. So we will have some written questions.

That said, and Congresswoman Watson will too, and others on our committee.

Thank you for your patience and the start today with the votes. Sorry we had to cut it off. I am not sure you are all sorry. [Laughter.]

But I am sorry that I didn't get a chance to put some of these, and we will do these, in the record.

Once again, thank you all for your service. We are all on the same side here, but we need to be aggressive or we are going to get squeezed in the competitive funding competition as we move in for priorities of the United States, and narcotics remain the No. 1 source of crime, the No. 1 source of family violence, and the No. 1 source of death in the United States. And it is not a hypothetical; it is real, as your agencies full well know.

Thank you for your service. With that, the subcommittee stands adjourned.

[Whereupon, at 4:57 p.m., the subcommittee was adjourned.]

[Additional information submitted for the hearing record follows:]

**Committee On Government Reform - Subcommittee On Criminal Justice, Drug Policy And
Human Resources Hearing**

April 26, 2006

**Admiral Jeffrey J. Hathaway, Director, Joint Interagency Task Force South
Questions for the Record**

Question #1: In the transit zone, 90% of all drug traffic moves through the maritime arena.

a. Would you agree that the lack of persistent maritime surveillance is our number one problem for the near future?

Answer: Of all our detection and monitoring (D&M) asset challenges, long-range maritime surveillance is by far the most critical problem to be solved, especially against our greatest threat, go-fast boats. A ship on patrol has about a 9% chance of detecting a go-fast boat. If the ship has a helicopter, the probability of detection increases to approximately 20%. If we are able to provide a maritime patrol aircraft to help cue the ship and helicopter, the probability of detection increases to approximately 70%. The value of persistent maritime surveillance and its contribution to our success rate cannot be overstated.

b. Most of our efforts at this point appear to be focused at the margins of our capabilities. Based on the known maritime patrol aircraft that are committed to drug interdiction operations for FY 2006, are you confident we will exceed last year's disruption record?

Answer: Through better intelligence, expanded law enforcement partnerships, and the collective efforts of the counterdrug community, JIATF South has been able to support ever-increasing cocaine disruptions for the last six years with 2005 being a record all-time high of approximately 252 metric tons. It is too early to tell if we will achieve success commensurate with CY 2005. We are most challenged by trafficker reactions to their increased losses over the last few years and the impact that has on the effectiveness of assets assigned to support JIATF South operations.

c. Would you agree that if the Colombian Navy were to have additional DC-3 maritime patrol aircraft (MPA) with robust sensors, it would better support and contribute to U.S. interdiction efforts in the transit zone?

Answer: The need for maritime surface surveillance in littoral and adjacent international waters of Colombia is critical to initially detecting go-fast boats. The enormous value of having MPA conducting D&M in support of our ships is discussed in the answer to question 1.a.

Question #2: As drug smugglers push deeper into the Eastern Pacific, the overall effect of the trafficker tactics is progressively corrosive. More and more time is spent in transit by our air and maritime assets in order to get the operational areas. One solution is an Oiler vessel to refuel our ships at sea. If an Oiler were integrated into our force structure, it is projected that there would

be as much as a 25% increase in on-station time for our ships. This additional on-station time would equate to about a 22% increase in seizures, removal, and interdiction events.

a. Do you agree that an Oiler would benefit drug interdiction operations in the transit zone?

Answer: An Oiler to refuel our ships at sea would significantly mitigate the ship transit time we are experiencing. With an oiler, the additional on-station days would equate to approximately a 22% increase in seizures, removal, and interdiction events. Additionally, an Oiler would allow JIATF South the flexibility to employ the smaller ships much deeper into the Eastern Pacific (EPAC) where the traffickers are operating. Their constraint to conducting long distant, deep-water operations is the ability to carry enough fuel. Without an oiler, this operational flexibility is not possible.

b. Would operational security improve if an Oiler ship were to support drug interdiction operations and U.S. and Allied ships required fewer runs to port for fuel?

Answer: The Oiler, in addition to the answer above, would provide for enhanced operational security. With fewer runs to port for fuel, the traffickers have a much lower chance of knowing where our maritime forces are operating.

Question #3: As mentioned in the opening statements of several witnesses, obtaining increased Ecuadorian counterdrug cooperation and a maritime boarding treaty is a top priority for the United States Government. What specific steps are currently being taken by JIATF-South with respect to this top priority?

Answer: JIATF South fully supports the efforts to increase Ecuadorian cooperation. We work with the Ecuadorian Country Team to seek out avenues to collaborate with the Ecuadorian Navy and some recent successes have been achieved. Regarding the maritime boarding agreement, the Department of State would be in a better position to answer fully.

Question #4: At last month's drug budget hearing, Director Walters gave assurances that there would be no policy or employment changes concerning the CBP commitment to supporting the transit zone interdiction operations. According to Director Walters, CBP plans to fly at least 7,200 hours in 2006.

a. Will CBP be able to provide 7,200 hours of MPA coverage in the transit zone in 2006?

Answer: Customs and Border Patrol (CBP) has not informed JIATF South that it will be unable to meet its stated minimum commitment of 7,200 hours in 2006. CPB would be better able to offer a more complete answer.

b. Will CBP be able to maintain this 7,200 hour MPA commitment to the National Drug Control Strategy from 2007 through 2010?

Answer: JIATF South does not have the answer to this question. CPB would be better able to offer a more complete answer.

c. How will JIATF-South make up for the lost MPA hours due to the grounding of the CBP P-3 aircraft?

Answer: At this time, JIATF South is not able to make up for the MPA hours lost to the grounding of the CBP P-3 fleet.

d. Are there any alternatives?

Answer: There are few alternatives with the U.S. Government long range fixed wing inventory. However, we have had recent success in obtaining some P-3 support from the Canadian Military and will continue to pursue this collaboration. As long range UAVs mature in capability and range, they may be of value. Also, Global Hawk was recently tested in the JIATF South Joint Operation Area and demonstrated promising results in maritime surveillance.

Question#5: During a January 2006 Subcommittee staff visit to Joint Interagency Task Force-South, Admiral Hathaway confirmed that he now has more actionable intelligence available than he has interdiction assets capable of responding to the potential smuggling events.

a. Does the action office of the U.S. Interdiction Coordinator, Joint Interagency Task Force-South, and the Department of Homeland Security have strategic plans to address future resource allocations and backfill these asset shortages?

Answer: JIATF South does not have permanently assigned assets from the Department of Defense (DOD), the Department of Homeland Security (DHS), or partner nations. DOD allocates assets to the U.S. Southern Command that are placed under the tactical control of JIATF South; DHS and allies allocate assets directly to JIATF South based on availability.

Question #6: We have heard first hand about the tremendous success of the Panama Express intelligence cueing. Our reliance on this particular intelligence source should not be our only avenue of information.

a. Does the DEA, Coast Guard and JIATF-South have plans to further enhance both Panama Express task forces (North and South), so that we can continue to achieve record seizures in the transit zone?

Answer: Both Panama Express (PANEX) sites are expanding their physical space this fiscal year and are adding new workspaces and stations. PANEX North will be expanding into a new work site with twice the office space of the old site. JIATF South will assign another intelligence analyst to PANEX North upon completion and has funded four additional workstations / Anti-Drug Network (ADNET) terminals at PANEX North. JIATF South will increase the analytical capability at PANEX North and South by deploying another full time GG-1032-13 Intelligence Analyst to each site before the end of FY 2006. In addition, some operational funding from JIATF South has been earmarked for the two PANEX sites to augment current funding levels. Other agencies that are contributing to PANEX North and South are in a better position to outline their respective plans.

Question #7: With shifting political support in several South American countries (eg. Ecuador and Peru), there may be an opportunity to reallocate funding and equipment within INL.

a. Should additional funding and helicopters be made available to JIATF-South for use in Mexico or Central America?

Answer: To stem the flow of illicit trafficking through non-commercial air and land conveyances in northern Central America and southern Mexico, properly equipped helicopters would be of great value in assisting partner nations.

b. How would the JIATF-South utilize additional funding and employ these helicopters if they were available?

Answer: JIATF South would employ the helicopters in a similar manner that we currently use for Joint Task Force-Bravo (JTF-B). JTF-B assets are deployed for weeks at a time to specific partner nations. Each partner nation has vetted tactical response teams that are on standby to react to intelligence / an emerging trafficking event. In looking to the future, JIATF-South would support the creation of a regional response unit that operates as part of the Central Skies Campaign that rapidly deploys Partner Nation (PN) tactical response teams (TRT) against suspected illicit air trafficking in northern Central America (CENTAM) and potentially southern Mexico. The helicopters would be fully capable of conducting nighttime operations and have a communications package to talk to ground forces, air trackers, and command and control elements. The unit would be able to be based in any nation within the region where intelligence indicates the major air trafficking flow is going, yet capable of conducting cross-border operations in response to tactical changes of the traffickers during a flight. JIATF South would also make these helicopters available to DEA for use in supporting PN checkpoint, eradication, or warrant serving operations as coordinated for and synchronized during the semiannual Counter Narcoterrorism Planning Conference (CNTPC) conducted by JIATF South.

Question #8: There have been significant seizures of illicit drugs in recent years in the transit zone and along the western border. What impact on the drug flow has the DEA seen from these seizures?

Answer: JIATF South does not have the answer to this question. The Drug Enforcement Administration would be better able to offer an answer.

Question #9: Committee staff recently returned from Mexico and Guatemala. The latter seems to be increasingly a hub for cocaine and heroin shipments en route to the USA.

a. Given Guatemala's extremely limited resources, what efforts is the JIATF-South undertaking in that nation to stop it from slipping into the status of a narco-state?

Answer: JIATF South is working in direct support of U.S. Country Team Guatemala and the Department of State (DoS) Counter Drug (CD) initiatives. Additionally, we staff a permanent Tactical Analysis Team (two personnel) that is working directly with DEA. JIATF South has assisted in conducting CD capabilities assessments, provided planning support, and has worked with the Guatemalan Military to enhance their ability to receive a handoff of suspected drug trafficking targets from JIATF South. JIATF South has allocated a portion of JTF-B CD flight hours to assisting the Country Team with Guatemala's initiatives in the Petén region (northern) of Guatemala. We have placed an emphasis on stopping the illicit flow of narcotics into Guatemala through non-commercial air. These efforts include allocation of resources such as Relocatable Over-the-Horizon Radar (ROTHR), JTF-B, ground based radars - all of which are fully synchronized with and in support of the U.S. Country Team desires and goals.

b. What more needs to be done?

Answer: The U.S. Country Team has the lead on developing and executing the strategy for Guatemala. JIATF South's role is to support the US Ambassador and to assist in identifying those CD capabilities Guatemala requires to fulfill that strategy. JIATF South defers any comments on the way ahead in Guatemala to the DoS.

Question #10: Please provide information regarding JIATF-South's participation in the DEA's operation All-Inclusive.

Answer: Operation All Inclusive focuses on better synchronization of counter-drug operations within the CENTAM corridor of the transit zone. It is a standing operation under which all participating agencies and nations within the CENTAM corridor coordinate, integrate, and synchronize their respective country specific and regional CD operations with an eye towards understanding and attacking the traffickers' decision cycle. While the entire interagency participates in all of the operations, JIATF South plans and executes the maritime and the counter-air portions; DEA focuses on land activities.

a. How many JIATF-South units are assigned to participate in the operation?

Answer: There is no set predetermined apportionment of resources for CD operations. During the past six months, JIATF South utilized 26 ship days, 150+ air hours and deployed JTF-B for 33 days in the air and maritime operations under the Operation All Inclusive synchronization effort for January through June 2006. JIATF South also staffed TAT sites in all Central American countries prior to and during Operation All Inclusive to exploit the intelligence collected by the DEA and other agencies involved. Additionally, because of the JIATF-South asset presence in these regional CD operations, the partner nations within CENTAM (Panama, Costa Rica, Nicaragua, and Belize) combined, utilized an additional 35 ship days to these regional operations.

b. Does DEA have Operational Control of assets participating in the operation?

Answer: DEA only has operational control (OPCON) of its own assets. Nearly all other D&M assets participate under the Tactical Control (TACON) of JIATF South. The rare exceptions are when partner nations keep TACON of their D&M assets (usually very small boats operating very close to or from the shoreline). JIATF South, as coordinated in the planning process, ensures the appropriate assets are at the right time and place for executing the plan. In this capacity, JIATF South has the authority to organize and employ, assign tasks, designate objectives and give the tactical direction necessary to accomplish the mission. For air and maritime D&M operations, JIATF South has TACON of US assets. For land operations only, DEA has TACON of its assets.

c. What steps does JIATF-South and the DEA take to avoid duplicative reporting of drug seizures when interagency participation is involved?

Answer: There is no duplicative reporting of seizures between JIATF South and the DEA. JIATF South supports the seizures made by U.S. and partner nation forces. During multi-agency and multi-national CD operations, the agency or nation responsible for the interdiction and apprehension phases of the event in question reports the seizure.

d. Is the FDIN used to delineate which agency reports the seizure, or is some other system used to avoid duplicative reporting of drug seizures?

Answer: Yes, the FDIN is used to delineate which agency reports the seizure.

Committee On Government Reform - Subcommittee On Criminal Justice, Drug Policy
And Human Resources Hearing
April 26, 2006
COLOMBIAN NAVY
Questions for the Record

CAPABILITIES IN THE TRANSIT ZONE

1. In the transit zone, 90% of all drug traffic moves through the maritime arena.

a. Would you agree that the lack of persistent maritime surveillance is our number one problem for the near future?

It is possible that it won't be our number one problem, but it is a very important problem that needs to be specially considered. The narcotics traffickers will continue to use the maritime corridors in the Caribbean and the Pacific to transport 90% of the drug produced in Colombia, destined to the United States. These narcotics traffickers have assets that are becoming harder to detect. The Maritime Patrol Aircrafts (MPA) are the units needed to qualitatively affront the threat of narcotics traffickers. The use of MPAs would augment the operational capabilities of the Colombian Navy (COLNAV), and would vastly improve the coordination with units assigned to JIATFS. MPAs would allow constant maritime surveillance which would ultimately lead to containing the intentions of narcotics traffickers.

b. Most of our efforts at this point seem to be focused at the margins of our capabilities. Based on the known maritime patrol aircraft that are committed to drug interdiction operations for FY 2006, are you confident we will exceed last year's disruption record?

Even though there is enough intelligence to achieve the kind of results that we expect, the lack of adequate means for maritime interdiction is a problem that is affecting operational results in this area.

It's important to remember that for a ship with good sensors in a patrol area of 150 by 75 Nautical Miles, the probability that it will detect a "go-fast" is only 5%. The detection probability for a ship in coordination with a helicopter rises to 20%. However the detection probability rises to 70% with the combination of the search ship and helicopter, working in unison with an MPA with the right sensors.

It is undisputable that with the use of two MPAs, the maritime interdiction results would increase, easily overcoming past years statistics.

c. Would you agree that if the Colombian Navy were to have additional DC-3 maritime patrol aircraft with robust sensors, it will better support and contribute to U.S. interdiction efforts in the transit zone?

The addition of air units with adequate equipment and systems that guarantee the detection, identification and surveillance of maritime contacts, would substantially improve our control and finally neutralize the corridors used by narcotics traffickers. The coordinated use of these air units would guarantee us control over larger maritime zones, putting narcotics traffickers at a disadvantage.

2. As drug smugglers push deeper into the Eastern Pacific, the overall effect of the trafficker tactics is progressively corrosive. More and more time is spent in transit by our air and maritime assets in order to get to the operational areas. One solution is an Oiler vessel to refuel our ships at sea. If an Oiler were integrated into our force structure, it is projected that there would be as much as a 25% increase in on-station time for our ships. This additional on-station time would equate to about a 22% increase in seizures, removal and interdiction events.

a. Do you agree that an Oiler would benefit drug interdiction operations in the transit zone?

It is well known that the presence of a ship with a helicopter on board positioned strategically in areas of "go-fast" presence would be determinant for greater success in maritime interdiction. To maximize their operational capabilities, these ships and their helicopters would need to be refueled by an Oiler present in the vicinity.

Increasing the persistency of interdiction capable units on the high seas, the detection probability would rise. Narcotics traffickers' activities on the high seas are vulnerable because they depend on many conditions; the increased persistence an Oiler lends us would increase our opportunities to attack these vulnerabilities.

b. Would operational security improve if an Oiler ship were to support drug interdiction operations and U.S. and Allied ships required fewer runs to port for fuel?

The operational security would improve dramatically. Reducing how many times a ship has to run to port for fuel would enable U.S and COLNAV's units to deploy coordinated operations with an enlarged time frame.

COLOMBIAN NAVY MARITIME PATROL AIRCRAFT

1. In considering the proposal to provide the Colombian Navy with DC-3 maritime patrol aircraft, Congress must take into account the costs of not only purchasing and outfitting the airplane, but of yearly upkeep.

a. How does the Colombian Navy plan on managing the operations and maintenance of the DC-3 aircraft?

The maritime patrol operations are planned with intelligence, and are deployed based on the concept of the aircraft-ship-rapid reaction unit. The mission of these operations includes the detection, surveillance and interdiction of narcotics traffickers in the transit zone.

Economically, Colombia would assume fuel and maintenance costs; this would be covered by assigning the resources needed to assume these costs. Technically, COLNAV is capable of maintaining and repairing PT 6 turbines, and of maintaining other aircraft systems which include hydraulics, electrical systems, avionics, pneumatics and structures. COLNAV's maintenance capabilities are as follows:

- Pilot officers with a minimum of 3,000 flight hours, and aeronautical technicians with more than 25 years of experience.
- Technicians the have 10 years of experience handling PT 6 turbines. Instructed in Level I and II maintenance in the U.S., with experience in maintenance done on our own units.
- Personnel that complies with the highest qualifications in maintenance and repairs of structures, hydraulic systems, avionics and electrical systems. All received instruction in the U.S.

Colombia's Air Force, Army and National Police, have the capabilities and workshops for technical examinations of helix, balancing, and other support activities that are required for the maintenance of these aircraft. The costs that would be assumed by the Colombian Navy would be much lower than what would be required dealing with external contractors. Additionally, COLNAV is planning the construction of a hangar contiguous to the Colombian National Police (CNP) and its maintenance workshops.

b. Will the Colombian Navy be able to operate and maintain the proposed aircraft solely on the proposed \$26.3 million dollars?

The 23.6 million dollars are for the purchase of the plane and its sensors. The maintenance and operational costs are assumed by COLNAV out of its annual budget.

2. There were significant seizures during the past year of cocaine and heroin in the transit zone by both Colombian and U.S. interdiction operations. What impact do these seizures have on the flow of drugs from your country out through the transit zone?

These seizures have forced changes on how the narcotics traffickers operate. They have moved on to neighboring countries looking for new alternatives to evade the established control measures. They have also increased the distance of their traffic routes from the coastline of Colombia. MPAs would help consolidate these efforts by surveying larger areas of Colombia's seas with increased presence in the transit zones.

3. What steps and new initiatives are being taken by the Government of Colombia and the Colombian Navy to interdict the flow of illicit drugs through the transit zone?

The Colombian Government through its Ministry of Interior and Justice has designed the "Integral Strategy to Combat Narcotics Trafficking", which focuses on three main activities:

1. Control of illicit crops

This is done by forced eradication, through the aerial fumigations program and the terrestrial eradication done by Colombia's military. A voluntary eradication program has been developed where the community is involved in the substitution of illegal crops with legal ones.

2. Interdiction

This phase directly involves Colombia's military and is focused on attacking the sensitive stages of the narcotics trafficking cycle, which are the processing, production, transportation and distribution.

3. Property control

Directed to attack and disarticulate organizations dedicated to the laundering of money, product of narcotics trafficking.

Based on the points shown before, COLNAV has designed a coherent strategy named "Closing spaces" which is directed on negating narcotics trafficking on its maritime, aerial and fluvial jurisdiction.

This strategy is based on strengthening control and maritime, terrestrial and fluvial interdiction on three different operational scenarios: the Caribbean, the Pacific and the Colombian rivers. This is done by recuperating, maintaining, and modernizing current units and acquiring the right naval and air units, to assemble an operational effective and logistically efficient force.

4. Some at the U.S State Department propose we use B-200 aircraft (Beech) for the MPA mission instead of the DC-3 as the House has proposed and offered to fund

a. What is the nautical air mile range of the B-200 versus the DC-3? Does it do the job?

The B-200 distance tables have been calculated employing one pilot, its basic configuration, and a basic cargo capacity of 2,400 lb. To use the B-200 as a MPA in the fight against narcotics trafficking, the addition of a copilot, FLIR operator and 2000 extra pound of cargo is needed. This would reduce its radius of action to 413 nautical miles, this being one-directional. What this means is that the realistic capability of this plane is 206 nautical miles. The BASLER DC-3 has a 2,140 nautical mile radius of action, this with all the pertaining equipment and a cargo capacity of 2,750 lb. In other words, the DC-3 can carry more cargo than the B-200 and travel a greater distance. The B-200 would restrict the amount of personnel while the DC-3 could carry additional reserve personnel, which would increase the efficiency of missions of up to 10 flight hours in which a relay of the pilots and operators could be employed. This would result in missions which would cover transit zones that are farther away from the coastlines.

b. What is the operating cost per hour of the B-200 versus the DC-3? Can you afford those costs?

The cost of operation per mission for the B-200 is \$1,500 per flight hour against a \$480 per flight hour cost for the DC-3. COLNAV can assume these operational costs for the BASLER DC-3, as it has done with other equipment it has received in the past.

c. What engineering problems arise from adding equipment that might affect the structure of the B-200 versus the DC-3, since the B-200 is pressurized and the DC-3 is not?

The B-200 cabin space is small and the cargo vs. autonomy relation is very limited. Being a pressurized aircraft, there are many considerations that have to be taken into account to install any type of equipment on the B-200. To install a radar, FLIR, antennas and communication equipment, holes have to be made to the pressurized structure. If this is not done correctly, it could cause cracks because of the tension and structural fatigue. This could ultimately lead to an explosion because of in-flight decompression. During interdiction missions, it is possible that search and rescue scenario could come up, forcing the B-200 to make complex maneuvers which could eventually take a toll on its structural integrity. Conditioning the DC-3 doesn't constitute a big problem; also opening its doors in mid-flight is less complicated because it is not pressurized.

5. Do the Colombian security services have B-200 aircraft in their fleet today, which you in turn could piggy back on for shared training, spare parts, maintenance etc? What about the DC-3s which are currently operated by the Colombian security services (e.g. Colombian National Police and Air Force)?

The Colombian military has three B-200, two in the Colombian Army and one in the Colombian Air Force (COLAF). On the other hand the CNP has seven DC-3 aircraft, all donated by the U.S. Government, and COLAF currently has eight DC-3 (six purchased by the Colombian Government and two donated by the U.S).

The fact that CNP and Colombian Air Force (COLAF) own DC-3 type aircraft, coupled with the government's policy of sharing these resources among the different forces in the military, wherever and whenever the need arises makes the DC-3 a sensible choice.

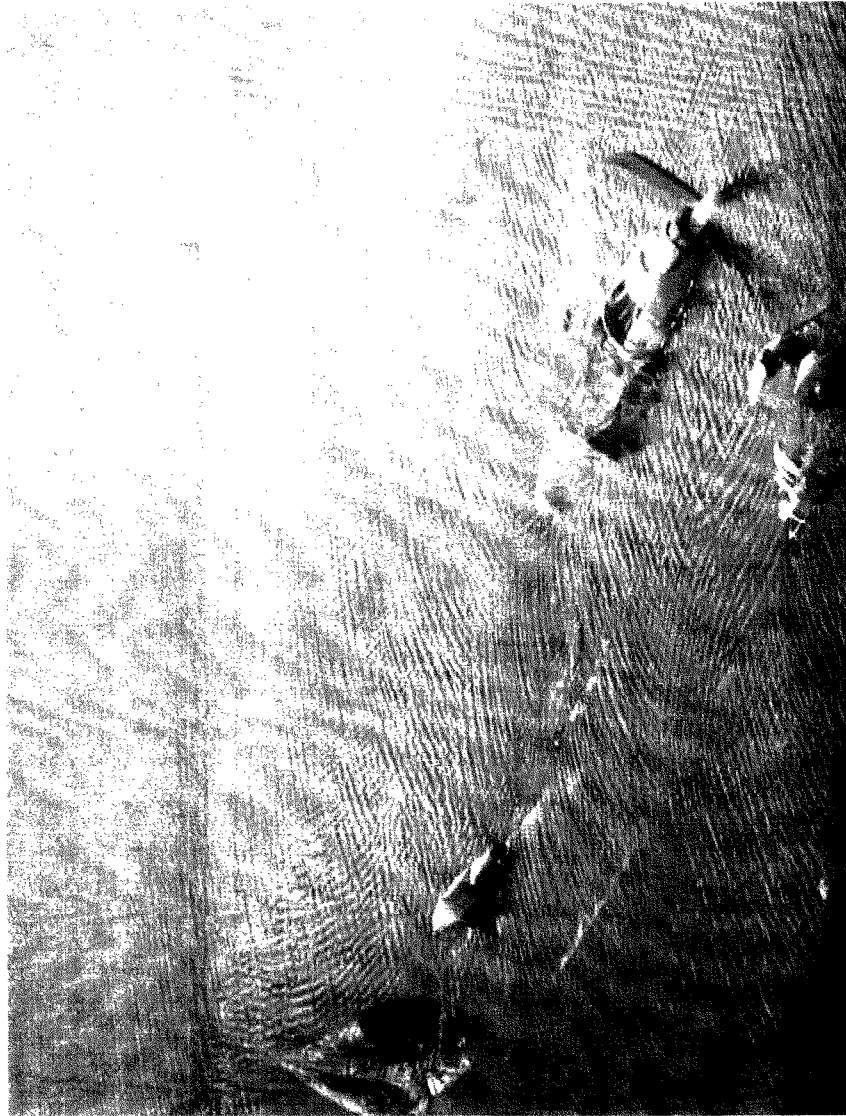
The DC-3 employed by COLAF have played an important role in the fight against narcotics trafficking in Colombia. This is because of its great autonomy, troop transportation capabilities and its low operation and maintenance costs. The CNP has also used the DC-3 for troop transportation with excellent results.

6. Since the B-200 is pressurized will that limit your ability to disable drug-laden "go-fast" boats from the air, versus the DC-3?

Because the DC-3 is not pressurized, it is a practical tool in the fight against narcotics trafficking. It permits the employ of snipers to damage go-fast motors, an the use of non-lethal weapons like smoke bengals, illumination and nets. The use of snipers and these weapons in the B-200 is not feasible.

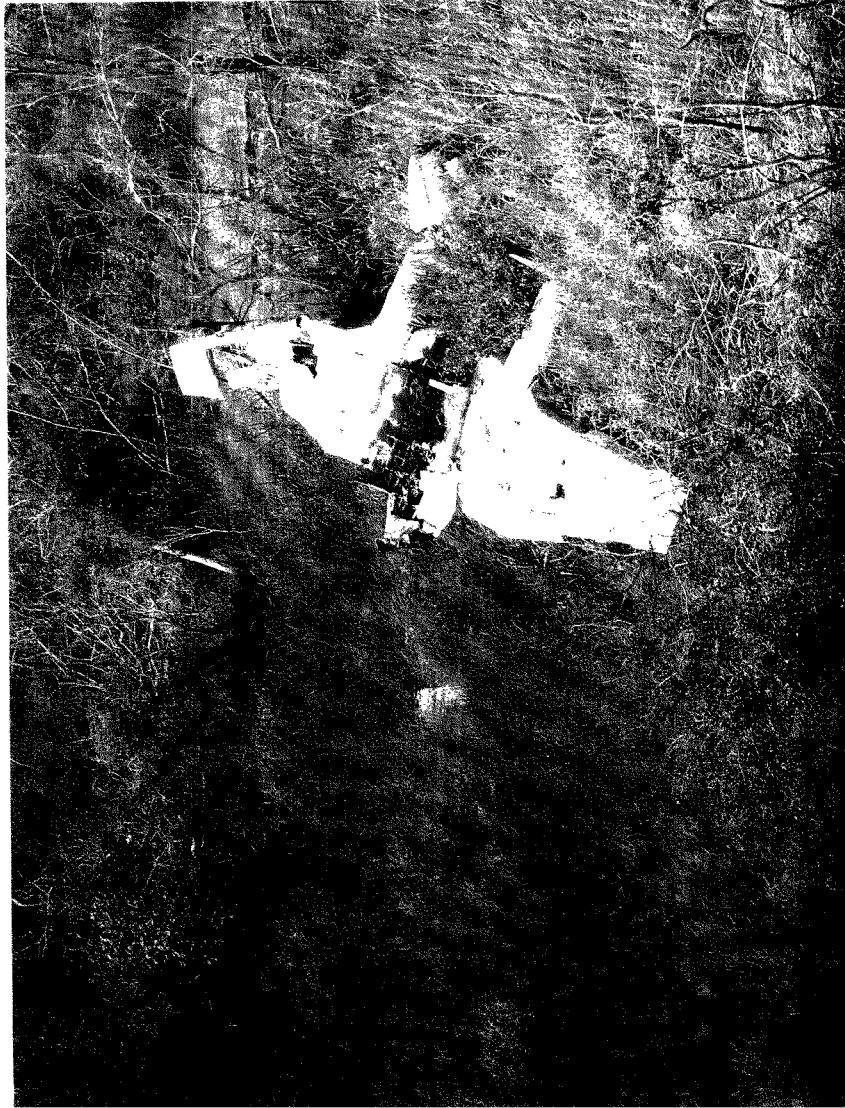
The interdiction missions are done in an altitude lower than 13,000 ft, making a pressurized aircraft an expendable commodity, because at this altitude the personnel and the equipment are not substantially affected by the low pressures.

Taking into consideration that many of these maritime interdiction missions end up as search and rescue missions because the delinquents try to sink or incinerate the boats, the versatile DC-3 comes in handy. It can slowly approach these sinking boats and throw lifeboats, a function that is vital for the preservation of life at sea. It can also maintain targets for large periods of time, and easily change altitude without compromising the mission.









**Questions posed to DEA Chief of Operations Michael Braun by
Chairman Mark Souder, following Mr. Braun's testimony on April 26,
2006, regarding "Transit Zone Operations: Can We Sustain Record
Seizures with Declining Resources?"
House Government Reform Committee, Subcommittee on Criminal
Justice, Drug Policy and Human Resources.**

Question 1. In the transit zone, 90 percent of all drug traffic moves through the maritime arena.

Question 1(a): Would you agree that the lack of persistent maritime surveillance is our number one problem for the near future?

Answer: A consistent maritime surveillance presence is necessary to counter the varied trafficking routes in the transit zone, as traffickers have historically changed their smuggling schemes based on law enforcement efforts. After a significant dip in the wake of the U.S. Navy's reduction in P-3 hours, levels of Maritime Patrol Aircraft (MPA) have recovered to a significant degree, with major new infusions in recent years from the U.S. Coast Guard C-130 assets, CBP/AMO P-3 assets, and with the backfilling by USAF E-3 aircraft of P-3 assets that had been dedicated to the Airbridge Denial mission in Colombia. The purchase of MPA aircraft to support the Colombian Navy's short-range MPA capability has the potential to enhance drug enforcement effectiveness in countering the abilities of drug syndicates to move narcotics via maritime routes.

Question 1(b): Most of our efforts at this point appear to be focused at the margins of our capabilities. Based on the known maritime patrol aircraft that are committed to drug interdiction operations for FY 2006, are you confident we will exceed last year's disruption record?

Answer: This will depend on a couple of factors; the amounts of cocaine and heroin produced by the South American countries and the abilities of our partnership countries to have the assets available to seize contraband narcotics. According to the Interagency Assessment of Cocaine Movement in 2005, 233 metric tons of cocaine HCL and base were seized from the Transit Zone to U.S. markets, which represented a 19 percent increase over total Transit Zone to U. S. market seizures in 2004. *Operation All Inclusive 2006-1* seizures to date include 43.7 metric tons of cocaine, 83.6 kilograms of heroin, 19.65 metric tons of marijuana, and \$4.0 million in U.S. currency. This operation is a clear example of interagency cooperation with host governments in combating drug smuggling via land, air, and sea.

Question 1(c): Would you agree that if the Colombian Navy were to have additional DC-3 maritime patrol aircraft with robust sensors, it (the Colombian Navy) will better support and contribute to U.S. interdiction efforts in the transit zone?

Answer: A consistent maritime surveillance presence is necessary to counter the varied trafficking routes in the transit zone. On April 13, 2006, Rear Admiral Alvaro Echandia, Chief of Naval Intelligence, Colombian Navy presented a briefing on the DC-3 proposal to various members of the Drug Enforcement Administration (DEA). During this briefing, Admiral Echandia emphasized the importance of this program to his country and their Naval Forces' battle against narcotics trafficking, especially in the transit zone. The most significant point of the presentation addressed the long-range and intelligence capabilities the DC-3 could provide (extended body of water coverage [600 nautical miles] without refueling while dealing with maritime smuggling activities in the northern and western coasts of Colombia). Additionally, the proposed additional DC-3's proposal would increase night detection capabilities for go-fast interdiction, as well as communication and electronic intelligence direction finder, cockpit night vision, and all-weather capabilities in general. Rear Admiral Echandia assured DEA that with the proposed U.S. donation, assuming adequate funding, of three DC-3 aircraft cocaine seizures would increase by 50 to 60 percent. Additionally, he stated that the Colombian Navy would utilize the donated aircraft to assist the DEA Bogotá Country Office and DEA Cartagena Resident Office in the form of investigative related Agent transport, aerial intelligence, and extended support of *Operations Firewall and Panama Express*.

Question 2(a): Do you agree that an oiler would benefit drug interdiction operations in the transit zone?

Answer: Yes, as far as DEA is concerned, the ability for rapid refueling would have a positive impact on overall drug interdiction operations as, simply put, the faster the interdiction elements are refueled the quicker they will be back in a strategic position. It should be noted however, that the committee might want to redirect this question to the Department of Defense, as DEA is not involved in the purchase or allocation of equipment such as an on-site oiler vessel.

Question 2(b): Would operational security improve if an oiler vessel was to support drug interdiction operations and U.S. and allied ships required fewer runs to port for fuel?

Answer: Yes, the positioning of an oiler vessel to refuel U.S. and allied ships would enhance drug interdiction operations in terms of effectiveness and operational security. As noted in question 2(a) above, details concerning this should be addressed with the Department of Defense.

Question 3(a): Does DEA, Coast Guard, and JIATF-S have plans to further enhance both Panama Express task forces (North and South) so that we can continue to achieve record seizures in the transit zone?

Answer: The Fiscal Year 2007 President's Budget Request includes 10 positions (including 6 Special Agents and 1 Intelligence Analyst) and \$5.3 million to enhance DEA's enforcement operations overseas through the expansion of *Operation Panama Express*.

Question 3(b): Does DEA have plans to develop any other exploitable sources of information available for source, transit, and arrival zone operations?

Answer: In the FY 2007 President's Budget DEA has requested \$1.1 million in non-personnel funding, which will be used to recruit human intelligence sources providing information to DEA regarding maritime operations, and for operational and investigative expenses incurred in following up on this information, including support of seizures and arrests by host nation law enforcement counterparts.

Question 4. Go-fast boats, fishing boats and other small craft ply the waters of the eastern Pacific Ocean and the Caribbean loaded with tons of cocaine and heroin. These vessels make landfall with their cargoes in Mexico, Guatemala and Belize for further passage to the United States. A chart which plotted the course of these boats between 1 January 2004 and 30 April 2005 shows 364 vessels transiting the Caribbean and 130 in the eastern Pacific. Given the information provided by this plotted information and knowledge of where they make landfall, what is the DEA doing to interdict these shipments in:

- a. Mexico***
- b. Guatemala***
- c. Belize***

Answer: Colombia, Central America, and the Caribbean countries do not possess the air and maritime assets and other resources needed to interdict the drug flow. Caribbean and Central American host countries have little ability to provide the type of aviation and maritime support needed for counter-narcotics operations. In some instances, these nations rely on the U.S. military for aviation and maritime support, which can only be provided periodically. Many of the U.S. Department of Homeland Security, Customs and Border Patrol's (CBP) aviation assets have been redirected to the U.S./Mexico border in support of CBP's responsibilities there.

Both DEA and JIATF-South help coordinate maritime interdiction operations with participating host nation military and law enforcement counterparts. At major ports throughout the area, DEA/JIATF-South coordinates the dissemination of intelligence to port authorities regarding smuggling activities. Through Narcotics Affairs Section (NAS) and Bureau of International Narcotics and Law Enforcement Affairs (INL), DEA facilitates training for host country personnel. This training covers such topics as the

proper operation of detector equipment at the ports, methods of concealment, airport interdiction, and training K-9 units. Funding for operational support is also provided. This covers items such as fuel for aircraft or maritime vessels; it also covers food and water for the personnel deployed.

In April 2005, DEA proposed to the counter-narcotics interagency community a multi-agency *International Drug Flow Prevention Strategy* in support of the *National Drug Control Strategy*'s objective of disrupting the market for illegal drugs. The flow prevention strategy is designed to significantly disrupt the movement of drugs, money, and chemicals between source zones and the United States. The strategy includes intelligence-driven enforcement, sequential operations, predictive intelligence and law enforcement deception campaigns.

The first initiative developed under the *International Drug Flow Prevention Strategy*—***Operation All Inclusive 2005-1***—targeted the Eastern Pacific and Western Caribbean transit zones of Central America and the Central America land mass. DEA and the inter-agency community identified this transit zone due to the large volume of illicit drugs and money moving within the region. By concentrating law enforcement efforts in the Central America corridor, bulk drug shipments, typically multi-ton in quantity, would be interdicted before they reached Mexico where the drugs are normally broken down into smaller quantities for transshipment north.

From August 5 through October 8, 2005, ***Operation All Inclusive 2005-1*** attacked the drug trade's main arteries and support infrastructure in Central America with innovative, multi-faceted, and intelligence-driven operations. The Intelligence Community, the Department of Defense, other U.S. government agencies, and host nation law enforcement and military supported both operational and intelligence aspects of the operation.

Using available intelligence, information, and knowledge gained from ***Operation All Inclusive 2005-1***, DEA and the inter-agency community scheduled the second iteration of this operation which began on March 4, 2006, and ended on April 26, 2006. ***Operation All Inclusive 2006-1*** targeted the flow of drugs, money, and chemicals within the South American source and Central American transit zones in a combined effort utilizing DEA, JIATF-South, inter-agency, and host counterpart capabilities. Using the combined abilities of the Special Operations Division, the El Paso Intelligence Center (EPIC), ***Operation Panama Express***, ***Operation Firewall***, and the Intelligence Community, ***Operation All Inclusive 2006-1*** utilized pre-operational as well as operational intelligence to identify targets of interest and their vulnerabilities, in order to cause a sustained disruption to the flow of drugs ultimately destined for the United States.

Operation All Inclusive 2006-1 consisted of staggered and simultaneous land, air, maritime, and financial components designed to synchronize inter-agency counter-drug operations, influence illicit trafficking patterns, and increase disruptions of drug trafficking organizations. To date, preliminary seizure statistics for ***Operation All Inclusive 2006-1*** include 43.7 metric tons of cocaine, 83.6 kilograms of heroin, \$4.0

million U.S. currency, 19.65 metric tons of marijuana, and over 130 arrests. Maritime seizures in the Eastern Pacific and Western Caribbean accounted for 16.16 metric tons of cocaine and eight kilograms of heroin, proving once again the important role for JIATF-South support in maritime interdiction operations. Participating agencies, under the guidance of DEA, are once again coordinating after-action reviews to document the results of the operation.

Mobile Inspection Teams (MITs) have been established in each of the Central American countries. These are specialized units trained in identifying false compartments within conveyances, as well as interview techniques, and rapid deployment. The MITs are limited in their ability to travel throughout the country due to lack of fuel, subsistence and aircraft capable of moving them quickly into remote areas when a smuggling event is known to have taken place. This has relegated them to operating in one, possibly two, ports of entry leading in and out of their country.

DEA's strengths are in its established offices in South America and nearly all of the Central American countries, its strong relationship with host countries' law enforcement entities, and its extensive sources of intelligence. DEA also has a mobile, internationally-deployable force of military-trained Special Agents and Intelligence Analysts available to support interdiction efforts. DEA currently has Special Agent/Pilots and aircraft dedicated to the support of day-to-day operations in the Caribbean, Central America, and Mexico.

Question 5. As changes occur in the legislative landscape across the nation with regard to the purchase of ephedrine and pseudoephedrine containing products, we have increasingly seen that methamphetamine production is occurring in Mexico. Administrator Tandy stated before the Senate Committee on Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies that "... 80 percent of the methamphetamine consumed in the United States comes from larger labs, for the most part in Mexico..." Mexico has taken steps to decrease the quantity of ephedrine and pseudoephedrine it imports.

Question 5(a): Assuming Mexico will be successful in its efforts to reduce excessive amounts of ephedrine and pseudoephedrine being imported and diverted to the illicit market, what is the DEA doing in the transit zone to get ahead of the problem of these chemicals entering Mexico illegally?

Answer: DEA employs a strategy of working both on a bilateral and multilateral basis with its international drug law enforcement and regulatory partners, to include those countries in the transit zone, to target the flow of pseudoephedrine and ephedrine to drug production areas. On a multilateral level, DEA is working with its global partners to address the worldwide import and export of ephedrine, pseudoephedrine, and other precursor chemicals. In March 2006, the 49th Commission on Narcotic Drugs (CND) was held in Vienna, Austria. A U.S. sponsored resolution entitled "Strengthening Systems for Control of Precursor Chemicals Used in the Manufacture of Synthetic Drugs" was passed. Thus, original and primary goals of this resolution sought by the U.S. were

largely obtained. The major provisions of the CND resolution, which involved the precursors ephedrine, pseudoephedrine (to include preparations containing these substances), methylenedioxymethamphetamine ("Ecstasy"), 3,4 – methylenedioxyphenyl 1-2 propanone (PMK), and phenyl-2-propanone (P2P), include the following:

- Requests countries to provide to the International Narcotics Control Board (INCB) annual estimates of their legitimate requirements for PMK, pseudoephedrine, ephedrine, P2P, and pharmaceutical preparations containing these substances. The resolution also includes language which would allow the INCB to provide these estimates to member states in such a manner as to ensure such information is used solely for drug control purposes.
- Urges countries to continue to provide the INCB, subject to their national legislation and taking care not to impede legitimate international commerce, information on all shipments of PMK, pseudoephedrine, ephedrine, and P2P, in addition to pharmaceutical preparations containing these substances.
- Requests countries to permit the INCB to share shipment information on pharmaceutical preparations containing these substances with concerned law enforcement and regulatory authorities to prevent or interdict diverted shipments. The resolution further outlines that the mechanism for the sharing of this shipment information with concerned national law enforcement and regulatory authorities could be done under the standard operating procedures as established in Project Prism, by using the INCB online Pre-Export Notification system or other effective mechanisms, so that appropriate measures can be taken to prevent or interdict those shipments of concern.
- Requests importing countries to ensure that its imports of these substances and preparations containing these substances are commensurate with their legitimate requirements.

The resolution also requested the U.N. ensure that INCB precursor programs are adequately funded and invites member states to consider providing additional support to the precursor program in the form of the provision of cost-free expertise and extra-budgetary funds.

On a bilateral level, DEA Special Agents, Diversion Investigators, and Intelligence Analysts located in our foreign offices within the transit zone countries continually interact with their drug law enforcement and regulatory counterparts to address the diversion of precursor chemicals to drug producing nations, including Mexico.

Bilaterally with Mexico, and in conjunction with other South and Central American countries, and in response to the President's National Control Strategy calling for market disruption by attacking the flow of drugs, DEA is working closely with JIATF-South and the inter-agency community to develop and implement a multi-faceted and multi-agency *International Drug Flow Prevention Strategy*. This enforcement effort is based on

gathering, compiling, and analyzing intelligence from multiple participating U.S. agencies and host national law enforcement and military counterparts from Colombia, Ecuador, Panama, Costa Rica, Nicaragua, El Salvador, Honduras, Guatemala, Belize and Mexico. Under ***Operation All Inclusive 2006-1***, which targets the Eastern Pacific and West Caribbean transit zones of Central America and Mexico and also includes the land mass of the isthmus, DEA is attacking the drug and precursor chemical trade's main arteries and support infrastructure in Central America with innovative, multi-faceted and intelligence driven operations.

Question 6. With shifting political support in several South American countries (e.g. Ecuador and Peru), there may be an opportunity to reallocate funding and equipment within the Department of State (INL). Should additional funding and helicopters be made available to the DEA for use in Mexico or Central America, how would the DEA employ those assets?

Answer: DEA is not aware of any plans to move INL-owned rotary wing assets from Peru or Ecuador. DEA understands that large numbers of drug aircraft are landing in the remote territories of Guatemala and that the police have no effective means by which to enforce the law in those areas without air support. DEA is exploring the use of DEA helicopters to directly support Foreign-deployed Advisory Support Team (FAST) operations in the Western Hemisphere; however, a proposal has yet to be submitted through the interagency process.

If the concept is approved, the FAST would directly support host country counterparts in counter drug operations. The DEA Aviation Division established an office at the Guatemala CO in December 2005. This office currently consists of one fixed wing aircraft and two pilots. This aircraft can be utilized to transport host nation personnel and equipment in Guatemala, but these DEA aircraft are not the appropriate types or in sufficient numbers to address the challenges of the remote areas of Guatemala.

Question 7. There have been significant seizures of illicit drugs in recent years in the transit zone and along the southwest border. What impact on drug flow has the DEA seen from these seizures?

Answer: The second iteration of ***Operation All Inclusive, Operation All Inclusive 2006-1***, ended in late April 2006. While it is too early in the analysis stage to assess the operation's impact on drug flow, over 43 metric tons of cocaine was seized and no longer available for distribution. In the first initiative of ***Operation All Inclusive 2005-1***, over 46 metric tons of cocaine was seized in the transit zones during the 65-day operation, and included the largest EASTPAC seizures for the month of August in JIATF South's history, 21.3 metric tons. At the same time, DEA's domestic seizures decreased by 29 percent compared to the 65-day period prior to the operation. DEA's domestic cocaine seizures for the three-month period following the operation decreased by 27 percent compared to the three-month period preceding the operation, and by 36 percent compared to the same three-month period in 2004. Although other explanations are possible, preliminary analysis suggests that All Inclusive may have resulted in a temporary

reduction in the availability of cocaine in the United States. Furthermore, as a result of both All Inclusive initiatives, we found that traffickers were forced to delay or suspend their drug operations, divert their routes, change their modes of transportation, and even jettison loads. We also observed a reduction of nighttime air tracks from Colombia into Belize and Guatemala.

Question 8. Committee staff recently returned from Mexico and Guatemala. The latter seems to be increasingly a hub for cocaine and heroin shipments en route to the USA. Given Guatemala's extremely limited resources, what efforts is the DEA undertaking in that nation to stop it from slipping into the status of a narco-state? What more needs to be done?

Answer: The current Government of Guatemala has taken the following steps to combat drug trafficking:

They have acknowledged that the police require a higher salary that enables a police officer to receive a higher standard of basic living and avoid corruption, and police salaries were recently doubled. They have also recognized that potential police recruits should not be hired from the lowest rung of the socio-economic ladder. Education plays a considerable part in the effectiveness of being a police officer. The Government of Guatemala has begun to hire applicants who have at least a high school education. Moreover, they have sought college-educated applicants to take leadership positions within the police.

An Organized Crime Bill (OCB) in the Guatemalan Congress was introduced that will permit the police to conduct national and international controlled deliveries, undercover operations, conspiracy investigations and Title III intercepts. On March 30, the Legislature passed the OCB; however, a Presidential Review identified concerns over the decreased penalty portion of the conspiracy law. President Berger has vowed to veto the legislation until the original penalties are reinstated in the bill. The OCB will be revisited once these changes are made.

As a demonstration of both the DEA and Guatemalan commitment to this effort, a DEA Sensitive Investigative Unit (SIU) has been established. The Guatemalan police officials have been vetted and completed the SIU Basic Course at Quantico, Virginia. The DEA has provided \$50,000 for the initial startup of this unit, and the NAS/INL of the Department of State has committed additional funding and support for this initiative.

Question 9. Please provide additional background information regarding the scope, interagency cooperation and interdiction operations specifically dedicated to Operation All-Inclusive.

Question 9(a): How many agencies participate in the operation? Does the Colombian Navy participate in Operation All Inclusive? If so, in what capacity?

Answer: The following U.S. agencies participated in ***Operation All Inclusive***: Defense Intelligence Agency, Central Intelligence Agency, National Security Administration, SOUTHCOM, JIATF-South, U. S. Coast Guard, Customs and Border Protection air support, and FBI Mexico City. Participating foreign nations, including, Mexico, Belize Guatemala, Nicaragua, Panama, Costa Rica, El Salvador, Honduras, Columbia, and Ecuador provide support from their various intelligence and law enforcement agencies and military components, to include the Colombian Navy.

During ***Operation All Inclusive 2006-1***, the Colombian Navy/Coast Guard stationed along Colombia's north coast increased their patrols to ascertain activity of maritime vessels departing the north coast of Colombia to the western Caribbean transit countries and conducted a concentrated maritime interdiction operation under ***Operation Firewall*** in the Gulf of Uraba region (coastal border region near Panama) that included support by Colombian Navy frigates.

Question 9(b): Does DEA have Operational Control of assets participating in the operation?

Answer: JIATF-South, under the U.S. Southern Command, provides overall command and control of U.S. forces dedicated to counter-narcotics detection and monitoring. DEA is, however, a principal participant in twice yearly JIATF-South planning and coordination conferences at which the U.S. counter-narcotics community briefs on current and future counter-drug programs and initiatives. When possible, JIATF-South coordinates, integrates, and synchronizes available U.S. counter-drug assets with these initiatives.

Operation Panama Express, a multi-agency Organized Crime Drug Enforcement Task Force, consisting of personnel from DEA, ICE, JIATF-S, FBI, IRS, U.S. Coast Guard, the U.S. Attorney for the Middle District of Florida, and various Florida state and local law enforcement entities collects and passes actionable counter-drug intelligence to JIATF-South. JIATF-South utilizes this intelligence to better direct U.S. air and naval assets towards the goal of interdicting drug smuggling vessels in the transit zones.

Both DEA and JIATF-South help coordinate maritime interdiction operations with participating host nation military and law enforcement counterparts.

Question 9(c): What steps does DEA take to avoid duplicative reporting of drug seizures when interagency participation is involved? Is the FDIN used to delineate which agency reports the seizures?

Answer: The Federal-wide Drug Seizure System (FDSS) contains information about drug seizures made by the Drug Enforcement Administration, the Federal Bureau of Investigation, the Bureau of Customs and Border Protection, and the Bureau of Immigration and Customs Enforcement, within the jurisdiction of the United States. It also records maritime seizures made by the U.S. Coast Guard. Drug seizures made by other federal agencies are included in the FDSS database when drug evidence custody is transferred to one of the agencies identified above. The FDSS eliminates duplicate reporting of a seizure involving more than one federal agency.

Seizures in the FDSS are tracked by their Federal Drug Identification Number (FDIN), which is issued by EPIC. Normally the first federal agency to take custody of the drug evidence is responsible for obtaining the FDIN. If custody of the evidence is transferred to another federal agency the FDIN does not change, nor is a new FDIN obtained. EPIC reviews each FDIN submission to avoid issuing multiple numbers for the same seizure.

Question 9(d): What steps does DEA take to avoid duplicative reporting of money laundering cases when interagency participation is involved? Is there a central coordination point to ensure reporting is accurate and not duplicative?

Answer: There is no government-wide system similar to FDSS that covers money seizures. The Departments of Justice and Treasury have separate tracking systems that do not interface. When DEA seizes an asset and processes it for forfeiture, it is tracked through the Consolidated Asset Tracking System (CATS). When DEA is involved with an investigation that results in a seizure, but does not process it for forfeiture, it is reported as a "referral" or "information only" seizure. ***Operation All Inclusive*** initiatives are reported for informational purposes, but the asset is credited to the seizing agency.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20503

July 12, 2006

The Honorable Mark E. Souder
Chairman
Subcommittee on Criminal Justice
Drug Policy and Human Resources
Committee on Government Reform
U.S. House of Representatives
B-377 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for the opportunity to testify on Transit Zone Operations before the Subcommittee on Criminal Justice, Drug Policy and Human Resources. Please find my enclosed answers to the Committee's questions for the record.

Thank you again for your dedication on the issue of drug control and your support for the President's National Drug Control Strategy. If I may be of further assistance, please contact David Binsted with the Office of Legislative Affairs at (202) 395-6602.

Respectfully,

A handwritten signature in black ink, appearing to read "Jim O'Gara", is located below the word "Respectfully,".

James F. X. O'Gara
Deputy Director Supply Reduction

Enclosure

**COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND HUMAN
RESOURCES**

“Transit Zone Operations: Can We Sustain Record Seizures with Declining Resources?”

April 26, 2006

. In the transit zone, 90% of all drug traffic moves through the maritime arena.

a. Would you agree that the lack of persistent maritime surveillance is our number one problem for the near future?

Response: Transit Zone maritime drug interdiction is a team effort and most seizures stem from successful employment of an interdiction continuum. The Maritime Patrol Aircraft (MPA) plays a critical detection and monitoring role in this continuum, but it is only one of several critical elements. Other, equally important elements are: actionable intelligence (resulting from law enforcement investigations), allowing for leveraging fewer assets to much better advantage; intelligence fusing (JIATF-South); surface asset interdiction (U.S. Coast Guard Cutters and U.S. Navy and Allied ships); end-game takedown (armed helicopters and OTH small boats for go-fast interdiction), and seizure of the illicit cargo (USCG boarding teams). A breakdown in any aspect of this continuum can result in failure to interdict targeted vessels.

Sustaining MPA presence is a concern and we continue to work with the Interagency to ensure sufficient levels of support to the Department of Defense, through the Joint Interagency Task Force (JIATF-South). We also continue to explore viable alternatives, such as UAVs, alternative employment of national technical means, and enhanced use of ROTH in a maritime detection role to further improve maritime surveillance capability.

b. Most of our efforts at this point appear to be focused at the margins of our capabilities. Based on the known maritime patrol aircraft that are committed to drug interdiction operations for FY 2006, are you confident we will exceed last year's disruption record?

Response: Increased cocaine disruptions are an ONDCP priority, but many factors mitigate against continuing record-breaking seizures. As our eradication and interdiction strategy has matured, cocaine production has decreased and our expectation is that there will be less cocaine movement.

A major component of Plan Colombia is to attack cocaine production at the source. Each coca plant that is damaged, each HCl lab that is destroyed, and each kilo of cocaine that is seized in Colombia is one less kilo in the Transit Zone and one less kilo that potentially arrives on the shores of the U.S.

Moreover, as our successes continue, traffickers will adapt. For example, we have seen a marked increase in the use by Colombian traffickers of Ecuadorian flagged fishing

vessels for cocaine transshipment. The United States does not have a counter-drug bilateral agreement with Ecuador (as we do with Colombia and most other nations in the region), and thus the process for gaining permission to stop, board, and search an Ecuadorian flagged vessel suspected of illicit drug trafficking is arduous. Steps are being taken to establish operational procedures between Ecuador and the United States to mitigate this challenge (see response to question #1 under “ONDCP Leadership Initiatives”). Nevertheless, even with an established bilateral agreement or agreed-to operational procedures, it would be difficult, and often impossible because of Ecuadorian law, to obtain jurisdiction from Ecuador over drug traffickers interdicted by the United States aboard Ecuadorian vessels. This therefore limits U.S. prosecution and investigative options with these suspects who might otherwise, once extradited, provide actionable intelligence-another vital part of the interdiction continuum. The option notwithstanding, U.S. Coast Guard is working on engagement strategies to improve post-seizure options and feedback.

c. Would you agree that if the Colombian Navy were to have additional DC-3 maritime patrol aircraft with robust sensors, it will better support and contribute to U.S. interdiction efforts in the transit zone?

Response: Enhancing Colombian interdiction capability is a primary goal of Plan Colombia. However, our current funding request for Colombia supports the program at a level consistent with the needs of Colombia and the United States, and within the overall context of U.S. foreign assistance levels. In addition, additional aircraft should not come at the expense of existing programs.

2. As drug smugglers push deeper into the Eastern Pacific, the overall effect of the trafficker tactics is progressively corrosive. More and more time is spent in transit by our air and maritime assets in order to get to the operational areas. One solution is an Oiler vessel to refuel our ships at sea. If an Oiler were integrated into our force structure, it is projected that there would be as much as a 25% increase in on-station time for our ships. This additional on-station time would equate to about a 22% increase in seizures, removal and interdiction events.

a. Do you agree that an Oiler would benefit drug interdiction operations in the transit zone?

Response: Yes, an Oiler would allow for increased on-station time for U.S. and allied ships conducting CD operations. We are encouraged by the Department of Defense’s efforts to obtain a Chilean Navy Oiler in the near future for operations in the Eastern Pacific. The Department of Defense is also actively pursuing additional options to secure underway replenishment capability.

b. Would operational security improve if an Oiler ship were to support drug interdiction operations and U.S. and Allied ships required fewer runs to port for fuel?

Response: Yes, having the flexibility to refuel at sea would enhance the operational security of interdiction missions in the Transit Zone.

3. When Congress created DHS in 2002, it combined some of the most important drug interdiction agencies in the Federal Government. While the Coast Guard's homeland security missions are not new, they were statutorily defined in Section 888 of the Homeland Security Act of 2002 (Public Law 107-296) as follows: ports, waterways, and coastal security; drug interdiction; migrant interdiction; defense readiness; and other law enforcement.

Contrary to this statutory definition of the homeland security missions that includes drug interdiction and other enforcement, the Administration's 2007 budget request categorizes "Illegal Drug Interdiction" and "Other Law Enforcement" missions as "Non-Homeland Security" missions. (Coast Guard Budget in Brief document (page B-2)). This proposed change clearly runs contrary to the organic statute establishing DHS.

a. Who has authorized the change of definitions and therefore priorities for the Coast Guard regarding drug interdiction?

Response: Section of the Homeland Security Act (P.L. 107-296) authorizes the Office of Management and Budget to compile estimates of funding related to homeland security consistent with the definition from the 2002 Annual Report to Congress on Combating Terrorism. That report refers to "homeland security" as those activities that detect, deter, protect against, and respond to terrorist attacks on the United States. Upon review of the Coast Guard programs for "Drug Interdiction" and "Other Law Enforcement," OMB determined that these programs do not meet government-wide standards for the definition in section 889, and reclassified the funding in an attempt to ensure consistency in reporting homeland security programs to the Congress.

b. Did lawyers at ONDCP, DHS and Coast Guard sign off on this abdication of duty?

Response: OMB also closely reviewed section 888 of P.L. 107-296, which states that categorizing "Drug Interdiction" and "Other Law Enforcement" as "homeland security" only applies to that specific part of the legislation, not the separate section 889 which prescribes how OMB should report homeland security programs government-wide. This interpretation was approved by the OMB Counsel's office and accepted by the DHS Counsel's office. ONDCP was aware of this re-classification and did not object. We defer to the Department of Homeland Security with regard to their actions and position.

c. Does the Coast Guard support the proposed new change in categories for its Drug Interdiction mission?

Response: We defer to the Department of Homeland Security with regard to this matter.

d. How will the proposed change impact the administration, management, funding and operations of the Coast Guard's drug interdiction mission?

Response: We defer to the Department of Homeland Security with regard to this matter. ONDCP has made no changes to the process through which we provide counter drug funding guidance to the Department of Homeland Security.

e. How will this change impact the Coast Guard Drug Interdiction budget? Will it impact out-year budget projections?

Response: We defer to the Department of Homeland Security with regard to this matter.

4. Did ONDCP consider the political risk based solely on coca estimates as a measure of success for Plan Colombia while having full knowledge that such numbers were a mere estimate based on surveillance of less than 12% of Colombian terrain?

Response: The U.S. Government's annual estimate of coca cultivation and cocaine production is produced by the Crime and Narcotics Center (CNC) and has typically sampled more than ten million hectares of potential growing area—an extensive survey area, some 98-99 percent of which contains no coca. CNC has now improved that estimate, as described in more detail in the response to Question 6. CNC has added roughly another eight million hectares of area to survey for a total survey area of 19.6 million hectares—roughly the size of the state of Nebraska.

Second, coca cultivation is not the only performance measure for Plan Colombia programs. The Administration has consistently measured Plan Colombia successes in terms of its original objectives of helping Colombia by promoting internal peace, prosperity, and a stronger democracy.

U.S. assistance is part of a balanced strategy developed by Colombia to deal with that country's multiple problems. Plan Colombia was developed in 1999 by the Government of Colombia (GOC) with strong U.S. Government (USG) encouragement. Its combination of law enforcement, interdiction, alternative economic development, and judicial reform has previously contributed to reduction in drug production in other countries such as Peru, Bolivia and Thailand. Plan Colombia focuses on five critical areas:

- Curbing narco trafficking
- Reforming the justice system
- Fostering democratization and social development
- Stimulating economic growth
- Advancing the peace process

Measuring results of our assistance to Plan Colombia includes metrics addressing each of the above areas. Below is an outline of progress in Colombia to date:

a. Reduce the production, processing, trafficking, and corruptive influence of drug trafficking organizations:

- Cultivation has been reduced by 15 percent from 2001 to 2005.
- Potential cocaine production has been reduced by 25 percent from 2001 to 2005.
- Interdicted over 200 metric tons of cocaine in the Source and Transit Zones in both 2004 and 2005.
- Extradited to the U.S. 134 traffickers in 2005 and 92 traffickers in 2004—over 350 in the past five years.

b. Increase the presence and effectiveness of the Justice System:

- Forty-two houses of justice (“Casas de Justicia”) have been established in Colombia that have handled over 2.6 million cases. Forty-five oral trial courtrooms have been established and have begun phasing in an accusatory system of justice in the major cities of Colombia.

c. Strengthen institutional presence, efficiency and effectiveness at national, regional and local levels in order to improve governance in the nation and increase the citizens’ confidence in the State:

- Improved public services at 38 municipalities.
- Fiscally strengthened 97 municipalities.
- Colombian National Police have established a presence in all 1,098 municipalities in Colombia for the first time in history.
- Congressional elections in 2006 were held across Colombia without interruption by illegal armed groups.

d. Promote citizen involvement as a means for developing participatory democracy:

- Over 320 citizen oversight committees have been formed and 200 have been strengthened (50% and 100% increases, respectively in the past year)

e. Instill respect for Human Rights and promote compliance with international humanitarian law in Colombian society:

- The Government of Colombia’s Attorney General reported that denunciations against all security forces for human rights violations of international humanitarian law dropped from 195 in 2004 to 140 in 2005, a drop of 28 percent. Also, murders of labor leaders dropped from 42 in 2004 to 14 in 2005, a 67 percent drop, and of journalists from 3 to 2, a 33 percent drop from 2004 to 2005.

f. Provide humanitarian assistance to those segments of the population which have been victimized by violence, with special emphasis on the displaced population and the most vulnerable groups:

- Over 2,400,000 internally displaced persons (IDPs) have been assisted; the number of IDPs requesting assistance has dropped in the past year.

g. Prevent further deterioration of ecosystems and implement measures to conserve and recover their environmental functions and build sustainable development options:

- President Uribe established the Forest Ranger program with over 20,000 participants to protect several national parks and forest reserves that are being threatened by coca cultivators.

h. Initiate rapid steps in the south to facilitate the transition to legal activities and to generate socially, economically, and environmentally sustainable alternatives to drug trafficking and violence:

- With the help of U.S. AID, sustainable alternatives have been established in Putumayo and other regions affected by coca and poppy cultivation—over 73,000 families have benefited and over 23,000 hectares of illicit crops have been manually eradicated. Over 97,000 hectares of licit crops have been supported and 63,000 hectares of forest have been maintained and protected.

i. Create the conditions for peace in Colombia.

- The GOC increased the size and capability of public security forces from 234,000 in 2002 to 370,000 in 2005.
- The GOC brought the AUC to the negotiating table in 2003 and began a peace process that removed over 30,000 members of the paramilitary organization from the battlefield from 2003 through June, 2006.

j. Establish the security conditions which permit the implementation of government programs:

- The GOC has increased its presence throughout Colombia: the GOC has also created 72 companies of mobile rural police (Carabineros) with 7,800 men. Through special security measures, roads outside of Bogotá can be traveled by ordinary citizens without fear of being kidnapped. Capital is flowing back into Colombia, compared to a high rate of capital flight at the start of Plan Colombia.
- President Uribe has reduced lawlessness and human rights violations throughout Colombia:

	2002	2003	2004	2005	2005 vs. 2002
All Terrorist Attacks	1,645	1,257	724	611	-63%
Electric Pylons	483	329	127	227	-53%
Towns	32	6	4	5	-84%
Massacre victims	680	504	259	252	-63%
Kidnappings	2,885	2,122	1,440	800	-72%
Common Homicide	28,837	23,523	20,208	18,111	-37%
Unemployment	15.7%	14.2%	13.6%	10.0%	-36%

5. What new strategy is being implemented by ONDCP that focuses on more reliable measures of success, such as the apprehension of high value targets (HVT's), the destruction of cocaine hydrochloride labs (HCL's), the demobilization of the paramilitary group AUC, and the dramatic improvement in overall security and economic development throughout the country?

Response: The Administration continues to support Government of Colombia policies and programs originally contained in Plan Colombia. We continue to assess metrics in each of the critical areas integrated into the overall Plan as detailed above.

The Administration continues to believe that attacking the illicit drug industry in Colombia is critical to the overall success of Plan Colombia. Illicit drugs continue to fuel both the Maoist insurgency and illegal armed groups on the right. By doctrine, the FARC draws support from the popular will. In reality, the FARC has minuscule popular support and draws its money, guns, and power from the illicit drug industry. It lives in a sea of coca; coca-producing regions are its breadbasket. FARC and AUC hold-outs will remain a threat to democracy and the rule of law until the Colombian illicit drug industry is disrupted and its connection with terrorist organizations broken. The CNC crop estimate will continue to play a role in assessing progress and identifying changes in the threat to which our programs must respond.

6. What efforts were made by ONDCP to clarify that the variables used in arriving at the 2005 coca production estimate were substantively different from those utilized from 2001 to 2004, having increased the amount surveyed from 10.9 million hectares in 2004 to 19.8 million hectares in 2005?

Response: ONDCP asked CNC to ensure its presentation of the data made clear that the reported increase in cultivation was due to the unprecedented expansion of the growing area surveyed by 81 percent and not due to the actual expansion of cultivation. CNC's subsequent "apples to apples" comparison reported cultivation results in both the CY04

growing area and in the newly surveyed area. CNC reported an 8 percent decline in the 2004 growing areas and the discovery of 38,600 hectares in newly surveyed areas counted for the first time.

a. How was Counter Narcotics Center (CNC) able to increase the amount surveyed by 81% from 2004 to 2005?

Response: After the completion of the 2004 coca cultivation estimate, the Crime and Narcotics Center (CNC) received data from the Colombian National Police, the United Nations, and other sources indicating a significant amount of Colombian coca was being grown in areas outside the defined growing region and, therefore, was not counted in previous estimates. In the 2005 estimate, the size of the growing area studied expanded by 81 percent over the size of the 2004 growing area, incorporating the previously uncounted fields.

The development of GEO-Tools, a new technology for estimating cultivation depending on commercial satellite multi-spectral imaging, enabled CNC to logistically support such an expanded estimate.

b. How did this substantial increase in the amount of land surveyed affect the validity of directly comparing the coca estimates for 2004 with the coca estimates for 2005?

Response: In the 2004 growing area, the USG estimated that 105,400 hectares of coca were under cultivation in 2005, a reduction of 8 percent. In addition, 38,600 hectares were discovered under cultivation in newly surveyed areas. Unfortunately we cannot determine how many of these fields existed in 2004 and thus cannot directly compare total cultivation. We are sure that cultivation in the 2004 growing area was reduced by 8 percent largely due to the eradication program.

c. Since the CNC was basing its coca estimates on only 10% of Colombian land having been surveyed, why did ONDCP rely so heavily on the very modest estimate as a measure of success?

Response: In 2002, ONDCP made a number of recommendations to improve the coca cultivation data provided by both the Crime and Narcotics Center (CNC) and the Office of Aviation in Colombia. ONDCP noted that CNC methodology did not incorporate the newest technology for crop estimation and the accuracy of its results depended upon untested assumptions. The methodology depends upon ensuring that the bulk of coca cultivation is included in its defined growing area for subsequent sampling and counting. In a dynamic illicit crop, subject to massive eradication and reconstitution, capturing geo-locations of all significant growth even before the assessment process begins can be a significant intelligence challenge. The development of GEO-Tools and the incorporation of cultivation location data from the UN and the Colombian National Police improved the accuracy of the program. ONDCP relied on the CNC estimate as one of many performance indicators because it was, and still is, rigorous, scientific, and the best available crop estimation methodology in the world.

7. In light of the substantial unreliability of the coca production estimates produced over the last 5 years, and knowing ONDCP's exclusive reliance upon such estimates in measuring the success of Plan Colombia, is ONDCP seeking to decertify the coca eradication program that both is grounded upon and measures its success by such hypothetical numbers?

Response: ONDCP is not seeking to decertify the coca eradication program. The methodologies and data that produce the coca estimate have been improving every year. It is critical that we know how much coca is there, in order to attack it in an expeditious fashion. However, Plan Colombia and the Andean Counterdrug Initiative (ACI) were and are much more than eradication of illicit crops. Plan Colombia was presented by the Colombian Government in 1999 as a comprehensive effort to address that country's long-standing and complex problems. To do so, it sought to strengthen democratic institutions, promote respect for human rights and the rule of law, intensify counternarcotics efforts, foster socio-economic development, address humanitarian needs, and end the threats to democracy posed by narcotics trafficking and terrorism. As such, CNC's admittedly imperfect, but improving coca cultivation estimate is only one of many useful measurements of Plan Colombia's effectiveness.

ONDCP is working with the Department of State to ensure that CNC's conclusions contained in the Colombia cultivation estimate are incorporated into the Administration's eradication plans, programs, and budgets. CNC found that cultivation is decreasing in areas subject to eradication and increasing in areas not subject to spray. The crop is concentrating in national parks, remote geographic regions, and other areas not subject to aerial eradication. This has increased the cost of doing business for cultivators and traffickers. In addition, field size is shrinking and plants are increasingly immature and lower yielding.

The Administration and the Government of Colombia agree that to respond to this changing threat, we must expand the operational tempo of the eradication program in these newly emerging regions of coca concentration through:

- Establishment of forward operating locations in geographically remote regions of the country,
- Increased manual eradication in areas denied to aerial spraying that are sustainable by ground resupply;
- Increased integration of the spray program with security and interdiction operations that can disrupt the coca economy, decrease demand for coca products, and increase farmer disincentives to replant.

The challenge posed by the issues raised in this question are serious. Nevertheless, when compared with the situation in Colombia at the beginning of Plan Colombia, it is evident that progress, impressive in many areas, is being made. Colombia today is a confident and effective partner in an increasingly problematic region.

8. How will the revised coca production estimates impact ONDCP's annual drug flow estimates?

Response: The Interagency Assessment of Cocaine Movement Steering Group will meet soon to consider the Colombia cultivation estimate and its impact on the overall estimates of Andean cocaine potential production and cocaine movement. Steering Group findings concerning CY 05 estimates of cocaine movement should be published by mid-June.

ONDCP LEADERSHIP INITIATIVES

1. As mentioned in your statement, obtaining increased Ecuadorian counterdrug cooperation and a maritime boarding treaty is a top priority for the United States Government. What specific steps are currently being taken by ONDCP with respect to this top priority?

Response: The U.S. Government and the Government of Ecuador have been involved in lengthy and detailed negotiations to develop a set of *Operational Procedures for Boarding and Inspecting Vessels Suspected of Illicit Traffic in Narcotic Drugs and Psychotropic Substances and of Smuggling Migrants by Sea*. These procedures are intended to implement our mutual operational commitments pursuant to the 1988 U.N. Vienna Drug Convention and the 2000 U.N. Transnational Organized Crime Convention's Migrant Smuggling Protocol (TOC). This instrument would establish expedited procedures, points of contact, and clear expectations for maritime law enforcement operations and support. These procedures follow and complement the recently concluded Search and Rescue Memorandum of Understanding between Ecuador and the United States. In addition to the operational procedures, we are working to achieve mutually desirable outcomes with respect to 1982 Law of the Sea Convention, increased operational visits and engagement, and a plan to combat the increasing number of Ecuadorian vessels providing logistics support to drug smuggling go-fasts. Interagency representatives and the U.S. Embassy in Quito are working these sensitive negotiations and hope to conclude some arrangement no later than the end of June, 2006.

2. You mentioned in your statement that perhaps the most important aspect in the interdiction continuum and the principal reason behind increased seizures is more and better actionable intelligence on drug movements, and that much of this improved intelligence is derived from the great work being done by the men and women of Panama Express and DEA and ICE agents located in Source and Transit Zone countries. ICE presence in Mexico has been significantly downscaled to 8 agents and will be further downscaled to only 3 agents over the next year. Moreover, none of the 8 agents currently in Mexico work on drug interdiction. What actions are being taken by ONDCP to ensure that ICE maintains a strong presence in Mexico and that there is a corresponding focus on drug interdiction?

Response: The ICE mission in Mexico has a variety of functions in its charter, including support for the Drug Enforcement Administration, which is the lead agency for counter-drug issues. ICE is staffed with a total of forty-seven positions. These include administrative support, intel analysts, agents, as well as Foreign Service Nationals. ICE has offices in Mexico City, Hermosillo, Tijuana, Juarez, Guadalajara, and Monterrey.

There are presently no vacancies in the positions and none are immediately foreseen. Twenty-six of the positions are agent positions, of which three are assigned to counter-narcotics with DEA as part of the Foreign Intelligence Collection Team in Mexico City.

This staffing structure has allowed ICE to lead a bulk cash seizure initiative in Mexico, which is closely related to counter-drug efforts because of the importance of taking profit out of the drug industry by complicating repatriation of illegal profits to criminal organizations. ICE also conducts bulk cash seizure training of Mexican law enforcement at Mexican ports of entry. This training initiative has been expanded to Panama, and ICE plans to initiate it in Colombia soon.

3. We clearly understand the importance of Maritime Patrol Aircraft, but I have heard some rumors that you have been working with intelligence agencies to develop alternatives to the classic patrol aircraft approach.

- a. Please describe what initiatives ONDCP is leading to overcome ongoing and predicted MPA shortages?

Response: Soon after the terrorist attacks of 9-11, the Administration realized interdiction force structure could be significantly affected by changing national priorities. National-level policy guidance requires the development of an Interdiction Plan incorporating technology enhancements, changes in asset utilization, improvements to the supporting command, control, communications, computers, and intelligence (C4I) architecture, and options for increased engagement with partner nations.

Interagency discussions for implementing these goals focused on technological or operational concepts that could supplement Maritime Patrol coverage. Record interdiction seizures in each of the last three years have been in part due to:

- Expanded intelligence cues to interdiction forces, ensuring that MPA assets are deployed where there is hard evidence of ongoing trafficker events;
- Expanded deployment of HITRON armed helicopters capable of disabling fleeing drug-smuggling go-fast boats, ensuring expenditure of scarce MPA assets results in endgame seizures;
- The nimble C4I system developed by JIATF-South, which integrates all-source intelligence and provides tactical direction to our very professional interdiction forces.

The work to improve our interdiction system continues as does competing demands for our valuable multi-role interdiction forces. The administration is continuing to pursue research in a number of alternative wide-area surveillance technologies which could supplement our limited MPA assets.

b. What office within ONDCP has the lead in developing alternative strategies within the transit zone?

Response: The USIC and the Office of Supply Reduction have the lead for developing interdiction plans and force structure that incorporate technology enhancements, improve C4I architecture, increase engagement with partner nations, and integrate agency efforts into an effective interdiction system.

4. There's been a lot of talk about the aircraft, but what about ships? My understanding from the GAO report is that the readiness rates of Coast Guard ships has also shown a general decline. For example, ships used to monitor drug trafficking activities and carry the helicopters to disable and stop go-fast boats were below their target levels for time free of major deficiencies or loss of at least one primary mission.

a. What actions are ONDCP taking to ensure the readiness of Coast Guard ships employed for interdiction operations?

Response: ONDCP has supported the Coast Guard's Integrated Deepwater System (IDS) acquisition by recommending full funding for the FY06 request for \$923.8 million (\$284.2 million drug-related) and the FY07 request for \$934.4 million (\$289.4 million drug-related). The Deepwater project will re-capitalize the aging legacy surface and air fleets while ensuring that the Coast Guard is properly equipped and outfitted well into the 21st Century. The first two National Security Cutters (NSC) are scheduled for delivery in FYs 2007 and 2008, respectively, and the first medium range MPA is scheduled for delivery in FY 2007.

b. Does ONDCP project a shortage of surface ships in the near future due to the steadily deteriorating Coast Guard fleet?

Response: No, we do not project a shortage of ships from the Coast Guard in the near future. However, we do anticipate a temporary decline in ship *days* supporting JIATF South due to the continued deterioration of an aging fleet. To address this, the Coast Guard has developed a Mission Effectiveness Project (MEP) which upgrades legacy 210 and 270-foot cutters to improve reliability and reduce maintenance costs to bridge the capability/capacity gap until they can be replaced by new cutters rolling off Deepwater production lines.

5. You mentioned in your testimony that other countries are involved in this effort with us. I was a little surprised to hear for instance that the Dutch and the Canadians are down in the Caribbean helping out, not to mention the French and the Brits.

a. Can you describe what type capabilities the Canadians and Dutch provide, and if there are plans to "grow" their support?

Response: Allied support has consisted of various platforms and contribution levels over the years and continues to be an essential part of our counterdrug mission in the Transit

Zone. We continue to coordinate and look forward to increased participation from our allied partners.

The Canadians have provided P-3C (Aurora) Maritime Patrol Aircraft support in the Transit Zone with the Dutch providing surface contributions with Frigates and supporting MPA missions with the F-60 (Fokker).

Additionally, the United Kingdom has contributed to surface lay down with FFG's (Frigates), Destroyers and an Oiler and supporting MPA operations with the NIMROD and F-60 (Fokker). The French have also contributed with MPA (F50 Falcon and Cessna 406) and surface assets (Frigates, Destroyers and a Helicopter carrier vessel).

b. The Dutch recently sold their P-3 Maritime Patrol Aircraft to Germany. Does ONDCP have any plans to solicit help from Germany seeing that over 25% of the cocaine produced in Colombia is headed for Europe?

Response: We have not pursued this option with Germany for assistance with MPA but will review their capabilities and plausible options.

c. Are there any plans for future collaboration with Ecuadorian officials based on the growing concern about drug traffickers using Ecuador as a departure point and the growing usage of smugglers employing Ecuadorian flagged fishing vessels?

Response: U.S. counternarcotics assistance to Ecuador aims at improving the professional capabilities, equipment and integrity of police, military and judicial agencies to enable them to counter illicit drug activities more effectively. An initiative begun in 2001 and continuing through 2006 seeks to improve the staffing, mobility and communications of military and police forces in the northern border region. Resources are being provided to the Ecuadorian Marines (part of the Navy) for expanded patrol and interdiction operations on Ecuador's northwestern coast. The USG continues to provide training and essential infrastructure and equipment to improve the effectiveness of military and police collaboration, seaport and coastal control, police intelligence and land route interdiction. However, due to increasing resource demands elsewhere, Andean Counterdrug Initiative (ACI) funds for Ecuador have been reduced in the last two fiscal years.

6. Can you comment on the importance of actionable intelligence in making all of our assets—ships and aircraft—more effective? Specifically, the breakthrough in intelligence is a recent development resulting from the very successful efforts of Operation Panama Express, an interagency intelligence-driven program managed by the Departments of Justice and Homeland Security. What has ONDCP done to sustain or enhance the highly successful efforts of organizations like Operation Panama Express?

Response: Improved actionable intelligence on drug trafficking activity from elements such as Operation Panama Express (PANEX) has allowed for more effective use of ship and aircraft assets and is the principal reason behind increased TZ cocaine seizures.

Previously, MPA would search wide open areas of ocean for drug trafficking vessels, often having to return to base early without identifying a target due to lack of fuel. With improved actionable intelligence, these aircraft can now be vectored directly in on the target, saving MPA flying and work hours.

ONDCP is keenly aware of the work being done by PANEX. We consistently work within the interagency to provide PANEX adequate support, and as part of ONDCP's funding guidance letters, we urge DOJ, DOD, and DHS to continue appropriate funding levels to keep PANEX operations at a high tempo.

7. At last month's drug budget hearing, Director Walters gave assurances that there would be no policy or employment changes concerning the CBP commitment to supporting transit zone interdiction operations. According to Director Walters, CBP plans to fly at least 7,200 hours in 2006.

a. Will CBP be able to provide 7,200 hours of MPA coverage in the transit zone in 2006?

Response: Every department and agency head with whom I've met has assured me that they are committed to, at the least, providing in 2006 the same level of support provided in 2005.

b. Describe how does CBP intend to meet this 7,200 hour commitment, and specify which type aircraft will be utilized to achieve this goal?

Response: I defer to CBP as the agency best qualified to answer the question of how they plan to meet the 7,200 hour commitment with competing operations.

c. Will CBP be able to maintain this 7,200 hour MPA commitment to the National Drug Control Strategy from 2007 through 2010?

Response: CBP is funding a Service Life Extension Program (SLEP) for its P-3 aircraft to ensure fleet sustainability in the future. As always, national strategic security requirements and budget constraints will ultimately determine the extent to which CBP is able to maintain or increase Transit Zone presence.

d. How have recent P-3 maintenance issues impacted CBP's fleet of P-3s?

Response: CBP has \$16M budgeted in 2006 for a Service Life Assessment Program (SLAP) of the P-3 fleet. Of the \$16M, \$5.2M is being used to repair the bathtub fitting problem identified earlier this year. The SLAP will determine the extent of required future work and estimate required funding. Of the \$16M budgeted for '06, remaining funds will be applied to a Service Life Extension Program (SLEP) to begin in '07. Since a SLEP takes a fairly long time to complete (can be up to a year per airframe depending on the amount of work that needs to be done), it is expected that only one or two aircraft will be placed through the process each year. This allows some flexibility for pursuing

future funding in the out years. By the end of this year we should know the extent of SLEP conditioning required per aircraft.

c. What other CBP missions will the P-3s be able to support in FY 2006 based on the current maintenance issues?

Response: I defer to CBP who is best qualified to answer.

f. What traditional P-3 missions will the program not be capable of supporting this year based on the current maintenance issues?

Response: I defer to CBP who is best qualified to answer.

g. Will CBP Air be requesting addition Operations and Maintenance funds to achieve transit zone commitments for 2006?

Response: I defer to CBP who is best qualified to answer.

8. During a January 2006 Subcommittee staff visit to Joint Interagency Task Force-South, Admiral Hathaway confirmed that he now has more actionable intelligence available than he has interdiction assets capable of responding to the potential smuggling events.

a. Does the office of the U.S. Interdiction Coordinator, Joint Interagency Task Force South, and Department of Homeland Security have strategic plans to address future resource allocations and backfill these asset shortages?

Response: The USIC has issued Interdiction Planning Guidance (IPG) to the interagency counterdrug community. The IPG provides guidance and priorities for future interdiction efforts and each organization then develops specific strategies and resource requirements needed to accomplish those efforts. Through regular meetings and conferences, the USIC continues to collaborate with interagency partners on appropriate strategies, operational plans and resource allocation levels needed to support the National Drug Control Strategy.

b. If you devoted sufficient assets to meet the transit zone requirements, what other Homeland Security missions (port, border, & airspace security) would be affected?

Response: Sufficient air and marine assets are currently being dedicated to meet known Transit Zone requirements. To answer your questions a different way, every organization involved in drug interdiction is also responsible for supporting other collateral missions. It is doubtful that any organization could support major increases in requirements for transit zone interdiction without significantly impacting other Homeland Security (port, border and airspace security) missions.

9. On April 25, 2006 Aerospace Daily & Defense Report stated that CBP's sole Predator B drone crashed north of Nogales, Arizona. No casualties were reported.

a. The news reported that although the drone possessed redundant systems of sensors and computers and a triple-check system to protect the vehicle and others in the airspace, it unexpectedly crashed. Can you provide any additional details regarding this event?

Response: I defer to CBP who is best qualified to answer.

b. How do the flight safety systems of the Predator B drone compare to that of CBP's P-3 aircraft? Has CBP crashed any P-3 aircraft?

Response: I defer to CBP who is best qualified to answer.

c. What is the cost per flight hour of the Predator B drone, including repair costs and crashes, compared to that the P-3 aircraft?

Response: I defer to CBP who is best qualified to answer.

d. At the hearing General Kostelnick stated that he does not think that CBP will receive a replacement UAV until next year (2007). Does ONDCP plan to help CBP in replacing its sole UAV?

Response: ONDCP will consider any proposal that is forwarded to ensure the continuity of CBP's UAV program. As stated by CBP, "The UAV is an important component of our border security operations along the Arizona border with Mexico. With the loss of this asset, U.S. Customs and Border Protection will adjust resources appropriately to ensure the border security mission is not compromised in this region until we can re-deploy another UAV to carry out this important mission. Our primary mission is to deny terrorists and terrorist weapons, and prevent illegal entry of people and drugs from entering the U.S. through our borders and we will commit all our resources for this critical, national security mission."

e. Does ONDCP have plans to promote UAV usage in the transit zone?

Response: ONDCP looks forward to working with the interagency furthering the development and operational use of UAV's to include those to be used in the Transit Zone.

10. The legacy Customs Air and Marine program aircraft now operate within the CBP Air program, and have traditionally provided air support for legacy Customs investigators, who are now in the Bureau of Immigration and Customs Enforcement. These aircraft play a critical role in providing "tactical air support" for ICE investigators.

a. Over the past two years, how many CBP aircraft resource hours have been expended each month providing "tactical support" to ICE investigations? Over the same period of time, how many requests from ICE for tactical air support has CBP Air been unable to support?

Response: I defer to CBP who is best qualified to answer.

b. What administrative processes do ICE agents need to follow in order to request CBP Air tactical support?

Response: I defer to CBP who is best qualified to answer.

c. How are exigent and immediate tactical support requests from ICE investigators processed? Are these requests approved at the local level, the regional level, or at the headquarters level?

Response: I defer to CBP who is best qualified to answer.

d. Are there plans to make any changes to this process?

Response: I defer to CBP who is best qualified to answer.

e. How does CBP Air prioritize ICE tactical support aircraft requests amongst the other competing CBP mission areas?

Response: I defer to CBP who is best qualified to answer.

11. Describe how ONDCP tracks drug seizures amongst different U.S. agencies, interagency task forces and allied nations. Specifically, if all U.S. agencies are reporting record seizures, and the Colombian Navy is also reporting a record year of cocaine seizures, what is the true quantity of drugs seized?

Response: ONDCP tracks drug seizures through the Consolidated Counterdrug Database (CCDB). CCDB data includes seizures and disruptions. The CCDB seizure total is the most accurate mechanism for tracking the true quantity of drugs seized and includes Colombian Navy Seizures. More than 22 U.S. government agencies and the United Kingdom directly participate in the CCDB. CCDB seizure data is derived from a variety of sources, including law enforcement and intelligence, Embassy, JIATF-South LNO and open source reporting.

ONDCP applauds the work being done by the Colombian Navy in seizing drugs within Colombian territorial waters and cooperating with JIATF-South when Colombian-flagged vessels are interdicted outside of those waters (the enactment of the Maritime Boarding Agreement). However, we are aware that the Colombian Navy and the Government of Colombia (GOC) account for all the latter seizures, whether or not Colombian assets are directly involved in the seizure. This practice, which can account for up to half of the Colombian Navy's seizures in any given year, is the reason why Transit Zone seizures and Colombian Navy seizures often do not match.

On the other hand, we are also aware that not all GOC seizure data is making it into the CCDB, principally due to lack of reporting on these seizures. To rectify this situation, this office is currently working with the Bogota NAS and TAT to ensure that GOC security force seizure data is directly passed to the CCDB in the proper format and in a timely fashion.

a. How does ONDCP protect the integrity of these totals and ensure seizures are not repeatedly counted by different agencies?

Response: The CCDB meets on a quarterly basis and each seizure is vetted to ensure that the information is accurate and that there is no duplication.

b. Is the FDIN used to delineate which agency reports the seizure, including joint seizures with the Colombian Navy?

Response: Yes, the FDIN is one of the seizure reporting tools used by the CCDB to accurately track seizures. Joint seizures with the Colombian Navy will carry an FDIN number.

Questions from Congresswoman Diane E. Watson

1. U.S. Immigration and Customs Enforcement (ICE) launched Operation ICE Storm in Phoenix, Arizona to counter human trafficking gangs. ICE Storm has been targeting the gangs' finances in order to weaken their operational yield. Have there been any similar efforts undertaken to target drug producers and traffickers? Have there been any efforts specifically focused on shutting down methamphetamine labs in California? What are those efforts, if any?

Response: Considerable efforts are undertaken by U.S. law enforcement agencies to track the finances of drug producers and traffickers in order both to seize the assets and to, more importantly, take down major trafficking organizations. The effective implementation of the Bank Secrecy Act (BSA) and the Patriot Acts, which restrict the placement of drug proceeds directly into the U.S. financial system, is forcing criminal organizations to move massive quantities of heavy, bulk cash across the border. The sale of billions of dollars worth of illicit drugs in the United States generates millions of pounds of bulk cash. Although the vast majority of U.S. inspections of cars, trains, trucks and personnel are focused on those entering the United States from Mexico it is also critically important that federal, state, and local law enforcement agencies focus on seizing outbound cash. These seizures provide unique opportunities to penetrate violent trafficking organizations. The forthcoming National Southwest Border Counternarcotics Strategy will have several specific recommendations on how the United States can further improve our financial attack on drug trafficking organizations.

Identifying and shutting down methamphetamine superlabs in California has been a very high priority for federal, state and local law enforcement for the past five years. These efforts have been extremely successful, with California Superlabs declining to 28 in 2005, down from 125 in 2002. Although methamphetamine production is still a threat in

California, and we must remain vigilant to avoid a resurgence, it appears that large scale methamphetamine production is shifting south of the border.

2. There are several statistics by the U.S. Department of Justice that highlight, of the men and women behind bars, approximately 44% are black, 35% are white, and 18% Hispanic. The fact is that poorer defendants, often people of color, are more likely to be the recipients of substandard legal representation. Is the Department of Justice's Office of National Drug Policy looking into the fact that blacks represent 63% of all drug offenders incarcerated because of crack-cocaine use compared to whites who are getting lesser sentences for use of pure cocaine and methamphetamines? What, if any, investigation is being put into this issue?

Response: Crack cocaine is an extremely dangerous and addictive drug. Crack cocaine, administered through inhalation, provides an almost immediate high at a relatively low cost. These factors, along with crack's highly addictive and physiologically damaging nature, have proven to be a destructive and deadly combination.

By law penalties for crack-related offenses are significant. It is important to note, however, that the vast majority of those in prison for crack cocaine are serving sentences for drug distribution. A Bureau of Justice Statistics survey conducted in 1997 found that only 12% of those in Federal prison for crack-related offenses were incarcerated for use alone. This percentage shrinks even further if one considers those offenders who pled down from more serious crimes, those with prior convictions, and those whose sentences run concurrent with those for other offenses.

The President is committed to increasing the availability of drug abuse prevention and treatment services to the low-income populations that are targeted by dealers of crack and other destructive, inexpensive drugs. For example, the President's Access to Recovery Program is working to provide services to the more than 125,000 people who seek treatment each year, but are not able to obtain it, in part, because they cannot afford it. Screening, Brief Intervention, and Referral to Treatment (SBIRT) programs are bringing more visitors to hospital emergency rooms and community health centers into contact with treatment providers. And finally, drug courts are working to further reduce the number of drug users in prison by wielding the power of the criminal justice system to bring drug dependent criminals into treatment, thus healing addictions and reducing criminal recidivism.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: In the transit zone, 90% of all drug traffic moves through the maritime arena. Would you agree that the lack of persistent maritime surveillance is our number one problem for the near future?

ANSWER: Yes. With or without actionable intelligence, the primary means of detecting and monitoring drug smuggling in the transit zone is long-range Maritime Patrol Aircraft (MPA). As Rear Admiral Hathaway (Director of JIATF-South) has testified, we detect less than three out of every 10 known go-fast events in the transit zone. Of those we do detect, we successfully interdict almost 75 percent. We are very good at stopping these go-fasts when we detect them and when surface assets are able to respond.

The lack of MPA is not our only concern. The Coast Guard's surface fleet is aging and needs to be modernized to meet the threat of drugs flowing through the Transit Zone. For instance, in fiscal year 2005, the Coast Guard Pacific Area lost 234 days of major cutter time due to mechanical failures. In the current fiscal year, it has lost 333 days as of the end of April. Similarly, the Coast Guard Atlantic Area lost 95 days of dedicated JIATF-South major cutter time in fiscal year 2005 and 77 days by the end of April of the current fiscal year due to mechanical failures.

Moreover, although Maritime Patrol Aircraft are a critical element in our drug interdiction efforts, disruption of drug flow is dependent upon a suite of capabilities including:

- 1) Intelligence;
- 2) Detection assets and Interdiction; and
- 3) International agreements.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: Most of our efforts at this point appear to be focused at the margins of our capabilities. Based on the known maritime patrol aircraft that are committed to drug interdiction operations for FY 2006, are you confident we will exceed last year's disruption record?

ANSWER: Although we expect to achieve our performance target of removing 22 percent of the non-commercial maritime flow of cocaine to the U.S. this year, we are not planning on exceeding last year's record.

In each of the last two years, the Coast Guard had one month in which at least 78,000 pounds of cocaine were removed, more than three times the historical monthly average. These two months, September 2004 and August 2005, far exceeded the normal range and we have no reason to believe that we will experience a similar month of removals in 2006.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: Would you agree that if the Colombian Navy were to have additional DC-3 maritime patrol aircraft with robust sensors, it will better support and contribute to U.S. interdiction efforts in the transit zone?

ANSWER: Yes. Any additional resources, especially Maritime Patrol Aircraft, in the transit zone would contribute to U.S. interdiction efforts.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: As drug smugglers push deeper into the Eastern Pacific, the overall effect of the trafficker tactics is progressively corrosive. More and more time is spent in transit by our air and maritime assets in order to get to the operational areas. One solution is an Oiler vessel to refuel our ships at sea. If an Oiler were integrated into our force structure, it is projected that there would be as much as a 25% increase in on-station time for our ships. This additional on-station time would equate to about a 22% increase in seizures, removal and interdiction events. Do you agree that an Oiler would benefit drug interdiction operations in the transit zone?

ANSWER: Yes. An Oiler in the Eastern Pacific would benefit drug interdiction efforts by allowing surface assets to remain on-station longer, reducing the number of patrol days lost returning to port for fuel.

However, surface asset on-station time is just one piece of the interdiction continuum along with Maritime Patrol Aircraft, actionable intelligence, airborne use of force and bilateral agreements. Increasing surface assets alone will not necessary equate to an increase in seizures.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: Would operational security improve if an Oiler ship were to support drug interdiction operations and U.S. and Allied ships required fewer runs to port for fuel?

ANSWER: Yes. Currently, a surface asset must submit a logistics request prior to pulling into a port to ensure the necessary fuel and supplies are pre-staged to minimize the ship's time out of the operations area. This logistics request is supplied to local husbanding agents, fuel and food suppliers, etc., which makes sensitive information, such as the unit name, its future location and the dates it will not be underway, available to the public sector. Re-supplying from an oiler would minimize the availability of this information.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: As mentioned in opening statements, obtaining increased Ecuadorian counterdrug cooperation and a maritime boarding agreement makes great sense and is a top priority for the United States Government. What specific steps are currently being taken by the Coast Guard with respect to this top priority? What role has ONDCP played in promoting these efforts?

ANSWER: Working with the Departments of State and Justice, the Coast Guard developed a model of "Operational Procedures" tailored to fit the unique maritime operational and legal issues attending U.S. Ecuadorian relations. On April 20-21, 2006, a U.S. delegation met in Ecuador with senior Ecuadorian officials from the Ministry of Exterior Relations and the Navy to negotiate draft "Operational Procedures" for counterdrug (and migrant) interdiction operations. These negotiations included a potential framework for the conduct of interdiction operations within the 200 nautical mile zone that Ecuador claims as a territorial sea (a claim deemed excessive by the United States pursuant to the 1982 UN Law of the Sea Convention). The delegations made significant progress, and anticipate signing and implementing the non-binding "Operational Procedures" arrangement soon. The U.S. is also scheduling a meeting with Ecuadorian officials to discuss countermeasures against the increasing number of Ecuadorian-flagged fishing vessels providing logistics support to drug smugglers, including the development of regulations (similar to Colombia's) to control the carriage of gasoline (used to refuel go-fast vessels) by diesel powered commercial fishing vessels. ONDCP is cognizant of all developments, and has supported negotiations and engagement.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: There's been a lot of talk about maritime patrol aircraft, but what about ships? A recent GAO study reports that the readiness rates of Coast Guard ships have also showed a general decline. For example, ships used to monitor drug trafficking activities and carry the helicopters to disable and stop go-fast boats were below their target levels for time free of major deficiencies or loss of at least one primary mission. What actions are ONDCP taking to ensure the readiness of Coast Guard ships employed for interdiction operations?

ANSWER: The Coast Guard's Deepwater Acquisition Project will mitigate the decline in the readiness of assets operating in the transit zone, and the fleet's 378 foot cutters will be replaced first. Additionally, the Coast Guard has embarked on a Mission Effectiveness Project to improve the operational reliability of its 210 and 270 foot Medium Endurance Cutter fleet until the replacement craft is built by the Deepwater Acquisition Project.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: Does ONDCP project a shortage of surface ships in the near future due to the steadily deteriorating Coast Guard fleet?

ANSWER: The Coast Guard has not been able to meet all scheduled cutter deployments to JIATF-South in fiscal years 2005 and 2006 due to maintenance problems. Most lost cutter days have been attributed to 378 foot High Endurance Cutters. Some of those patrol days have been covered by 210 and 270 foot Medium Endurance Cutters, but those cutters are less capable than the 378's, both in endurance and command, control, communications, computers, intelligence, sensors and reconnaissance (C4ISR).

The Coast Guard's Deepwater Acquisition Project will mitigate the decline in the readiness of assets operating in the transit zone is the Deepwater Acquisition Project, and the fleet's 378 foot cutters will be replaced first. Additionally, the Coast Guard has embarked on a Mission Effectiveness Project to improve the operational reliability of its 210 and 270 foot Medium Endurance Cutter fleet until the replacement craft is built by the Deepwater Acquisition Project.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: During a January 2006 Subcommittee staff visit to Joint Interagency Task Force-South, Admiral Hathaway confirmed that he now has more actionable intelligence available than he has interdiction assets capable of responding to the potential smuggling events. Does the office of the U.S. Interdiction Coordinator, Joint Interagency Task Force South, and Department of Homeland Security have strategic plans to address future resource allocations and backfill these asset shortages?

ANSWER: The Coast Guard allocates resources to JIATF-South to meet program performance goal targets in support of national goals. Although the Coast Guard has continued to exceed performance targets, there have been a number of lost cutter days in support of JIATF-South due to maintenance problems.

The Coast Guard's Deepwater Acquisition Project will mitigate the decline in the readiness of assets operating in the transit zone, and has been strongly supported by the Administration.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: If you devoted sufficient assets to meet the transit zone requirements, what other Homeland Security missions (port, border, & airspace security) would be affected?

ANSWER: The cutters and aircraft used by the Coast Guard in the transit zone are all multi-mission assets. Generally speaking, allocating a larger percentage of these assets' time to the transit zone would require a commensurate drop in their support to other missions, such as migrant interdiction, living marine resources protection, and ports, waterways, and coastal security missions.

Coast Guard cutters and aircraft are budgeted for a number of hours that facilitates the appropriate balance between operational and maintenance needs. These programmed operational hours are apportioned to all of the appropriate mission areas, allowing the Coast Guard to dedicate the maximum resource hours to achieve performance goals in each of those missions. Every year, the Coast Guard publishes Mission Planning Guidance to assist the Coast Guard Area Commanders in making operational resource apportionment and allocation decisions to achieve program performance goal targets in support of national goals.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: This year's budget proposal includes \$934.43 million for the Deepwater Recapitalization project. The 2007 Coast Guard Budget in Brief describes this funding as supporting the ordering of additional cutters of varying abilities, additional maritime patrol aircraft, and the completion of the engine upgrade program for the HH-65 helicopters. The Coast Guard's ability to perform interdiction is spread very thin by the limited number and age of its assets. Will these new cutters arrive in time to alleviate the down time caused by deteriorating legacy cutters and aircraft?

ANSWER: The Coast Guard is committed to maintaining legacy assets until they are replaced by new Deepwater assets. The primary challenges to the Deepwater acquisition are to field new capabilities and to retire legacy assets that are beyond their service lives as soon as possible while containing annual operating expenses. The Deepwater program requires a balance between removing legacy assets from service to realize system cost savings, while maintaining sufficient system capacity to avoid exacerbating current operational gaps.

The Coast Guard has initiated several projects to sustain the service life of legacy assets until new assets arrive. The cutter Mission Effectiveness Projects are tailored to ensure the continued sustainability of the medium endurance cutter and patrol boat fleets until they are replaced with the Offshore Patrol Cutter (OPC) and Fast Response Cutters (FRC). The aviation legacy projects enhance assets which, for the most part, are part of the final Deepwater solution. These aviation legacy assets will not be retired but will be required to perform as part of the Deepwater system for decades to come.

The Coast Guard will continue to mitigate operational gaps in the near term, while building for the future Deepwater fleet which will exceed current capability and capacity.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: Will the Coast Guard experience significant “gaps” in capabilities due to the current Deepwater production schedule?

ANSWER: The Coast Guard's Operational Gap Analysis Report, which was submitted with the FY2007 budget, details forecasted gaps in cutter and aircraft operational hours during the transition to its new Deepwater fleet. The transition schedule minimizes gaps in operational capabilities as some legacy assets are taken offline for sustainment projects and while newly delivered assets are simultaneously tested and their crews trained before becoming fully operational. The Coast Guard has taken every effort to minimize fleet impact during this transition, but some unavoidable operational gaps remain. Full funding of the Deepwater project within the annual President's Budget Request is critical to minimizing these gaps.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
House Committee on Government Reform

QUESTION: DoD maritime patrol aircraft hours operating in the transit zone have drastically decreased over the past three years, for various reasons, from a high of 5,964 hours in 2002 to only 1,500 hours in 2005. The Coast Guard, CBP, and allies have tried to fill this gap, but simply do not have the additional assets needed. To respond to this situation the FY 2007 budget includes the acquisition of three CASA 235 aircraft to augment MPA for Deepwater. Are three aircraft included in the FY 2007 budget enough to meet the Coast Guard's and JIATF-South's immediate need for aircraft to perform the MPA (detection, monitoring, and interdiction) mission?

ANSWER: The President's fiscal year 2007 budget request funds the purchase of one additional CASA (which would be the sixth in the Coast Guard's MPA fleet) and funds the missionization and logistics equipment to outfit CASA aircraft 4, 5 and 6 to achieve mission ready status for those aircraft.

Once operational, each CASA aircraft will provide 1,200 MPA hours to help fill the MPA gap. These aircraft will play a key role in freeing up long-range C130 MPA hours for Caribbean transit zone patrols. The CASA 235 aircraft will fill the closer-in role of medium/short range MPA.

Additionally, the Coast Guard and Customs and Border Patrol are working together to fill the gap with a manned covert surveillance aircraft projected to serve as a surveillance platform in illegal drug and migrant transit choke points.

The Coast Guard will continue to mitigate operational gaps in the near term. The Deepwater fleet, once operational, will exceed current legacy capability and capacity.

Coast Guard QFRs from RADM Justice's
26 April Hearing on Transit Zone before the
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QUESTION: What type of palletized radar and sensing equipment will be installed on these aircraft? How do these aircraft and their sensor packages compare to the U.S. Navy and Customs and Border Protection P-3 aircraft and the current sensor package utilized in the HC-130?

ANSWER: The U.S. Navy and CBP P-3, Coast Guard HC-130, and the Coast Guard CASA 235-300M aircraft, with some variances, have the same basic sensor capability. All three aircraft types have surface search radar and an Electro Optical / Infrared package. The Coast Guard's CASA aircraft will additionally have connectivity to the Common Operating Picture (COP) and will be able to display the local tactical picture, increasing situational awareness. The local tactical picture simultaneously blends electronic inputs from the Automatic Identification System, surface search radar, an Electronic Surveillance Measures / Specific Emitter Identification package, and the COP with aerial charts.

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QUESTION: The FY 2007 budget also includes funding to missionize and upgrade the sensors in Coast Guard HC-130 MPA aircraft. What type of palletized radar and sensing equipment will be installed on these aircraft?

ANSWER: The HC-130H has a mission pallet that receives sensor data from a surface search radar and an electro-optical infra-red (EO/IR) sensor. The fiscal year 2007 President's budget request includes funding to replace the aging surface search radar and obsolete avionics suite.

Coast Guard QFRs from RADM Justice's
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QUESTION: We have heard first hand about the tremendous success of the Panama Express intelligence cueing. Our reliance on this particular intelligence source should not be our only avenue of information. Does the DEA, Coast Guard and JIATF-South have plans to further enhance both Panama Express task forces (North and South), so that we can continue to achieve record seizures in the transit zone.

ANSWER: Coast Guard Investigative Service (CGIS) has enhanced the Coast Guard's interaction and participation with Panama Express (PANEX) by permanently placing 2 CGIS special agents at PANEX North and 2 CGIS special agents at PANEX South to facilitate info sharing and interdiction operations. There are no current plans for the Coast Guard's Intelligence and Criminal Investigations Program (ICIP) to provide for further enhancements.

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QUESTION: CBP Air and the Coast Guard have each begun to test and evaluate unmanned aerial vehicles (UAVs) and also a manned covert surveillance aircraft (MCSA), to patrol the borders and our coastal waters. Do agencies within DHS coordinate their testing and evaluation programs for the UAVs?

ANSWER: DHS has established a DHS UAV Working Group to leverage Department-wide investment in UAVs. The Coast Guard is taking advantage of the DHS UAV Working Group to align USCG/CBP efforts in the areas of pilot qualifications, airworthiness standards, and airspace integration, as these issues are common to both Unmanned Aerial Surveillance (UAS) systems. The DHS UAV Working Group coordinates UAV management where appropriate and provides an institutional tool to ensure information sharing and efficiency of effort. Currently the Coast Guard and CBP are procuring different UAS systems. CBP (Predator) and USCG (Eagle Eye) do not have commonality in equipment and they differ in operating profiles and Concept of Operations (CONOPS). CBP's Predator is a land-based UAV while the USCG's Eagle Eye is a ship-based system. But because the current procurement activity is for different UAS systems, there is limited current coordination of actual testing and evaluation. The DHS Working Group has, however, provided a forum for addressing the lessons learned as each project progresses. The Coast Guard previously engaged in Predator testing and the results of this testing was also shared with CBP through the DHS UAV Working Group.

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QUESTION: How will efforts to purchase, operate and maintain the RU38B be coordinated between the two agencies to maximize efficiencies?

ANSWER: The Coast Guard and Customs and Border Protection Air & Marine Operations (CBP AMO) have executed a Memorandum of Agreement to frame the agencies' joint procurement, operations and maintenance of manned covert surveillance aircraft. The agencies have agreed to jointly site the aircraft and each agency will contribute to the development of standardized mission system specifications, concepts of operations, and tactics, training and procedures. Collective experience, applied to common requirements and aircraft, will generate efficiencies and effectiveness for the procurement, testing and evaluation of manned covert surveillance aircraft (MCSA) for DHS service.

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QUESTION: Please provide information regarding the U.S. Coast Guard's participation in the DEA's Operation All-Inclusive. How many Coast Guard units are assigned to participate in the operation?

ANSWER: There are no Coast Guard assets specifically assigned to Operation ALL-INCLUSIVE. The Coast Guard provides forces to JIATF-South for detection and monitoring in the transit zone and to Coast Guard Districts Seven and Eleven for interdiction and apprehension.

DEA operations are planned and coordinated with other ongoing interagency operations through the National Operations Center at JIATF-South in accordance with the National Interdiction Command and Control Plan (NICCP) 2005.

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QUESTION: Does DEA have operation control of assets participating in the operation?

ANSWER: The DEA does not have operational tactical control over Coast Guard assets in the transit zone. The Coast Guard provides forces to JIATF-South for detection and monitoring in the transit zone and to Coast Guard Districts Seven and Eleven for interdiction and apprehension in accordance with the National Interdiction Command and Control Plan (NICCP) 2005.

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QUESTION: What steps do the Coast Guard and the DEA take to avoid duplicative reporting of drug seizures when interagency participation is involved?

ANSWER: All narcotics seizures are reported to the El Paso Intelligence Center (EPIC) which assigns a Federal Drug Identification Number (FDIN) to each individual seizure event. When these seizure events are later entered into the Consolidated Counterdrug Database (CCDB), each event is identified by its own individual FDIN number. The CCDB is the vehicle through which Federal agencies vet seizure data, according to FDIN, in order to prevent duplicate reporting for seizures. The CCDB software itself contains a number of safeguards that identify and prevent or correct duplicate reporting. More significantly though, a CCDB working group meets every three months specifically for the purpose of verifying data and eliminating duplicative reporting of drug seizures. At these quarterly working group meetings, each and every trafficking event that was reported to the CCDB during the preceding three months is individually reviewed for accuracy and compared with similar events to eliminate duplication. The CCDB working group is extraordinarily meticulous, and is very successful at eliminating duplication.

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QUESTION: Is the FDIN used to delineate which agency reports the seizure?

ANSWER: Yes. All narcotics seizures are reported to the El Paso Intelligence Center (EPIC) which assigns a Federal Drug Identification Number (FDIN) to that seizure amount. The Consolidated Counterdrug Database (CCDB) is the vehicle through which Federal agencies vet seizure data, according to FDIN, in order to prevent duplicate reporting for seizures. The CCDB working group meets quarterly to verify the data.

U.S. Customs and Border Protection's sole Predator B drone crashed early April 25 north of Nogales, Ariz., but the chief of Homeland Security Department's CBP Air and Marine division remains confident in the unmanned aircraft program, he told The DAILY and Aviation Week & Space Technology in an exclusive interview.

The General Atomics Predator crashed 20 miles north of Nogales after numerous fail-safe, redundant systems failed during an operational mission, said Maj. Gen. Michael Kostelnik (USAF Ret.), assistant commissioner, Office of CBP Air and Marine.

The drone was transitioning from control by its General Atomics pilot to an automatic flying mode, said Kostelnik, a former commander of the USAF Armament Center. The drone dropped from 10,000 feet above ground after a total system failure. An on-board fire or hostile attack are not immediately suspected.

"It's pretty much destroyed, it's not going to be reparable," Kostelnik said. CBP Air and Marine already is talking with General Atomics about a "loaner" Predator.

No one was hurt by the crash in the air or on the ground, Kostelnik said. A CBP-led team, with representatives from General Atomics, the National Transportation Safety Board and possibly including the Air Force, already is investigating the incident, but results won't be known for several weeks, he said.

"It wasn't the thing going berserk and going away. It had some sort of massive technical, mechanical failure, who knows," he said.

Redundancy

"I'm disappointed that we had all of these systems fail simultaneously," Kostelnik said. "We had multiple systems fail to function the way we expected them to function."

Just March 29, Kostelnik assured House Transportation Committee members that the Predator B that CBP operates uses a redundant setup to ensure lower accident rates. "This redundant system works on all levels, from sensors to the flight computer, and provides a triple-check system to protect the vehicle and others in the airspace," he testified.

The Predator B also is programmed with a Lost Link (flight control) function that is supposed to autonomously and automatically execute link recovery actions. This function is implemented within the triplex flight computer and "has the same integrity as the flight critical elements." In the event of protracted loss of link, the aircraft is supposed to fly autonomously via Emergency Mission waypoints to a safe loiter area while changing transponder codes, eventually landing in a predetermined area.

At the same time, the mission control officer must maintain awareness of forecasted, reported and prevailing weather along the Lost Link flight plan at prescribed altitudes by all available means, Kostelnik further said. The officer must input Lost Link plans before flight and update as necessary and must continually update minimum fuel to account for weather hazards such as cloud layers, icing and turbulence.

Confidence

Kostelnik revealed the crash during an interview on Capitol Hill. Despite the crash, he praised unmanned aircraft and the Predator B in particular and maintained confidence in the program.

"With the work that it's done to date, just since September, it's probably paid for itself," Kostelnik said. "I hope to buy another one and we will."

A General Atomics spokeswoman, Kimberly Kasitz, said CBP was due to take delivery of its second Predator in mid-August. The one that crashed was obtained Sept. 29, she said. Other than